

Nottingham City Council

Executive Board

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 20 December 2022 from 2.00 pm - 2.54 pm

Membership

Present

Councillor Neghat Khan
Councillor Pavlos Kotsonis
Councillor Rebecca Langton
Councillor Sally Longford
Councillor Adele Williams (Vice Chair)
Councillor Linda Woodings
Councillor Audra Wynter

Absent

Councillor Cheryl Barnard
Councillor David Mellen (Chair)
Councillor Toby Neal

Councillor Kevin Clarke
Councillor Andrew Rule

Colleagues, partners and others in attendance:

Nancy Barnard	- Head of Governance
Mel Barrett	- Chief Executive
Wayne Bexton	- Director of Carbon Reduction, Energy and Sustainability
Clive Heaphy	- Corporate Director for Finance and Resources
Richard Henderson	- Director of HR and EDI
Frank Jordan	- Corporate Director for Communities, Environment and Resident Services
Lisa Lopez	- Public Health Commissioning Lead
Sajeeda Rose	- Corporate Director for Growth and City Development
Catherine Underwood	- Corporate Director for People

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is 3 January 2023. Decisions cannot be implemented until the working day after this date.

74 Apologies for Absence

Councillor Mellen – Personal Reasons
Councillor Neal – Personal Reasons

Malcolm Townroe

In the absence of the Chair, Councillor Adele Williams took the Chair.

75 Declarations of Interests

None

76 Minutes

The Board confirmed the minutes of the meeting held on 22 November 2022 as a correct record and they were signed by the Chair.

77 Medium Term Financial Plan 2023/24 to 2026/27

The Portfolio Holder for Finance presented a report on the current progress in developing the Council Medium Term Financial Plan (MTFP) for 2023/24 to 2026/27. The following points were discussed:

- a) As part of the budget development process, a full public consultation will be launched on the proposals which currently seek to contribute £29 million towards closing the current Council wide funding gap of £32 million. The consultation will run for the several weeks online and via in person events and targeted events with, for example the voluntary sector and the Disability Involvement Group. Formal consultation will also take place with Trade Unions. Citizens are encouraged to engage with the consultation and any feedback received will be considered prior to the final budget being recommended in February for approval at Full Council in March.
- b) The Council had set a balanced budget and four year MTFP in March 2022 but inflationary pressures including the pay award, increased costs of fuel, goods and services and increased demand resulting from the cost of living crisis have created a significant gap.
- c) Changes to government funding for Councils have seen reductions in the revenue support grant which cannot be made up through Council Tax. This has resulted in a particular challenge in cities like Nottingham which have high proportions of properties in Council Tax bands A and B and therefore Council Tax income is limited.
- d) Funding for Adult Social Care and whole life disability services currently makes up 37% of the Council's total budget. Issues in Adult Social care, including difficulties with recruitment and retention and the provision of home care packages has created significant problems for both Councils and the NHS. There is also a series of legislative changes being introduced which bring additional challenges. Without revised funding arrangements from Government Councils have been given the option to raise an additional 25 Adult Social Care levy on Council Tax. The report seeks approval for the full 2% levy to be applied, equating to an increase of approximately 50p per week for Council Taxpayers in band A and B properties. Transformation work is also underway on Adult Social Care, seeking to achieve savings while also achieving better outcomes for people through early intervention, reductions in hospital and care home admissions and enabling people to stay in their own homes for longer. Board recorded its thanks to the social care workforce.
- e) Further transformation work is taking place across the Council with a focus on improving outcomes and getting things right for citizens the first time while also

delivering savings. Examples include reducing the number of homeless families housed in hotel accommodation and adopting a corporate landlord model to ensure efficient management of the Council's estate.

- f) The Council has made significant progress in the management of its companies including improving governance processes, bringing Enviro Energy in house, continuing with the in housing of Nottingham City Homes and Nottingham Revenues and Benefits and the sale of Thomas Bow.
- g) Rising energy costs are a significant challenge for both citizens and Councils and are predicted to cost an addition £3.6 million this year

Resolved to:

- (1) endorse the draft public consultation proposals as set out in Appendix 1 to the report and to commence formal public consultation on those proposals.**
- (2) note the progress in the development of the budget for 2023/24 and the Medium Term Financial Plan for years 2024/25 to 2026/27.**
- (3) To approve that, where any staffing reductions result from measures taken to address the budget gap outlined in this report, reductions be supported through a voluntary redundancy approach and that redundancy compensation be in accordance with the Council's agreed Discretionary Compensation Regulations Policy provisions for voluntary redundancies.**
- (4) To note that further work is underway to identify ways in which a balanced budget for 2023/24 and robust MTFP can be achieved and that this will form part of the report to Executive Board in February 2023.**

- **Reasons for Decision:**

Endorsement of the Council's first phase of its draft budget and MTFP proposals for 2023/24 to 2026/27 will enable public consultation to commence. Public consultation will run from 20 December 2022 to 25 January 2023 and staffing consultation from 20 December 2022 to 15 February 2023. Further work will be needed to produce a legally balanced budget for 2023/24 and is likely to result in further budget proposals needing to be identified. The responses to the consultation will be considered and any proposed changes will be agreed by the Executive Board in February 2023.

This first phase in the development of the Council's budget and MTFP provides the context of the financial environment in which the Council is operating that supports and informs the commencement of the budget consultation period. The MTFP covers a 4-year period as part of the Council's need to ensure there is a longer term financial planning framework within which the Council's financial

sustainability can be assessed and assured and which can be used to inform longer term decision making.

At this stage in the process, a budget gap of £3.2m remains and further work is underway within the Council to identify further cost savings and income generation options to close the gap. Details of the Council's funding for next year from Government is as yet unknown and any changes to the assumptions currently made will be reflected in the February Executive Board report following the Provisional and Final Finance Settlement announcements. Proposals that include workforce reductions will be subject to internal consultation with Trade Unions and affected colleagues. Details of such proposals may, therefore, be amended during the consultation period and may impact on the way in which identified proposals will be delivered.

- **Other Options Considered**

Through the budget process a range of different options have been considered including various levels of council tax, investment, expenditure reductions and income generation proposals. This is a complex process with many iterations and possibilities too numerous and detailed to present as discrete options here. This report presents the overall set of current draft proposals which together seek to balance levels of investment, income, cost reductions and an appropriate level of Council Tax.

78 Half Year Treasury Report

The Portfolio Holder for Finance presented a report setting out details of treasury management actions and performance from 1 April 2022 to 30 September 2022. The following points were discussed:

- a) Regular reporting of the treasury managements actions taken by the Chief Finance Officer under delegated authority is a requirement of the Treasury Management Code of Practice.
- b) The Council's level of external debt is currently reducing there has been strong investment performance and compliance with prudential indicators.

Resolved to note the report.

- **Reasons for decision**

To ensure that Councillors are kept informed of the actions taken by the Chief Finance Officer (CFO) under delegated authority.

The currently adopted Treasury Management Code of Practice requires the CFO to submit at least three reports on treasury management each year; a policy and strategy statement for the ensuing financial year, a 6-monthly progress report and an outturn report after the end of the financial year.

The Code also requires that the reports be considered by relevant scrutiny or executive committees, and that the City Council approves any changes to the treasury management strategy.

- **Other options considered**

No other options were considered as the reporting is a requirement.

79 Review of Revenue and Capital Budgets - Quarter 2 2022/23

The Portfolio Holder for Finance presented a report providing an assessment of the Council's forecast outturn position for the General Fund revenue account, Capital Programme and the Housing Revenue Account (HRA) based on activity to the end of the second quarter (30 September) 2022. The following points were discussed:

- a) In common with other Local Authorities the Council is currently forecasting a significant in year overspend of £11.4 million, driven by inflationary factors, demand increase and the pay award. There have been some favourable variances such as in treasury management but these are not sufficient to offset the overspend.
- b) Measures being taken to address the overspend include reviews of all vacancies and contracts, close monitoring by the Council's Corporate Leadership Team as well as a freeze on non-essential spend.
- c) The majority of the Council's reserves are earmarked for a specific purpose though a financial resilience reserve has been established.
- d) The Capital Programme has seen some slippage in spend which is being closely monitored and to counter inflationary impacts on Capital projects a contingency of 24% has been built in to all capital projects.

Resolved:

(1) To note

- a. the Quarter 2 2022/23 General Fund forecast adverse variance of £11.4m as set out in Table 2 to the report.
- b. The General Fund Directorate service variances and explanations as set out in Table 3 to the report
- c. The Quarter 2 NET transfer to General Fund earmarked reserves of £0.1m and movement between earmarked reserves as set out in Section 3 and Appendix C to the report
- d. The Quarter 2 2022/23 HRA forecast favourable variance of £4.3m
- e. The forecast underspend/slippage in expenditure on the General Fund Capital Programme compared to the approved budget of £96.3m
- f. The forecast underspend/slippage in expenditure on the HRA Capital Programme of £57.5m.

- (2) To approve the Quarter 2 2022/23 budget virements to move revenue resources totalling £16.4m as set out in Appendix B to the report. The Council's total net budget remains unchanged as a result of these movements.**

- (3) To endorse the Councils commitment to delivering services within its approved budget for 2022/23 and to take all reasonable measures to do so whilst meeting its statutory obligations

- **Reasons for Decisions**

The report forms a key part of formal General Fund Revenue, Capital and HRA monitoring against the 2022/23 budget.

The approval of budget virements is required by corporate financial procedures.

- **Other Options Considered**

The financial forecast is based upon a number of variables and assumptions and the Directorates forecast is produced on a medium case approach and therefore represents a balance of options in the overall report. Doing nothing was rejected as the process is part of the good financial management of the Council.

80 Carers Strategy

The Portfolio Holder for Adult Social Care and Health presented a report on the draft Joint Carers Strategy. The following points were discussed:

- a) The Strategy has been produced jointly with the County Council and the Nottingham City and Nottinghamshire NHS Integrated Care Board and public consultation was undertaken during April and May.
- b) There are approximately 55,000 known unpaid carers in Nottingham with 15,000 caring for someone for more than 50 hours per week. Carers face significant challenges and their responsibilities often impact negatively on their own health.
- c) The strategy has been co-produced with carers from across the city and county as well as key providers of carer support services. It will be followed up with an actions plan outlining how carers will be identified and supported.
- d) The strategy sets out how the City and County Councils and the Integrated Care Board will work together to understand the needs of carers and to improve their health and wellbeing.

Resolved to adopt the new joint Carers Strategy for Nottingham City and Nottinghamshire County.

- **Reasons for Decision**

To provide a strategic direction for supporting local carers. This is important for the following reasons:

- a) The vitally important role of unpaid carers, and the impact the caring role can have on carer's physical and mental health and wellbeing, are well-documented. The joint strategy has provided an opportunity to work co-productively with carers to ensure Nottingham City Council's strategic direction for supporting carers reflects the voices of the carers themselves, making Nottingham City Council's commitment to carers clear.

- b) Nottingham City Council's previous Carers Strategy has expired. Work was underway to refresh the strategy in 2019, but was put on hold due to the outbreak of Covid-19.
- c) The need for a new Carers Strategy was identified through the Adult Social Care strategy 'Better Lives, Better Outcomes'. This new joint strategy looks at how we plan to better understand and meet the needs support and meet the needs of carers over the next five years, and will guide our investment in, and commissioning of, effective support for carers.
- d) The contracts for Nottingham City's carer support services are due to end in 2023, and this shared strategic approach supports joint re-commissioning of services, to further reduce duplication and use our joint resources more efficiently.
- e) The Carers Strategy will support fulfilment of Nottingham City Council's statutory duties under the Care Act 2014. Nottingham City Council has a statutory duty under the Care Act to proactively identify, assess and meet the needs of all carers in their area who might have support needs that are not being met.
- f) Having a new, cross-organisational Carers Strategy will raise the profile of caring and help colleagues and partners to recognise when they, or those they are working with, have caring responsibilities, and to seek appropriate support when needed. Carers support some of our most vulnerable citizens, helping to reduce the escalation of the needs of people they care for, preventing them from requiring greater degrees of health and social care support and helping them to remain as independent as possible.

- **Other Options Considered**

Option 1 - Nottingham City and Nottinghamshire County produce separate Carers Strategies. This would result in neighbouring officers duplicating work and would potentially result in differing priorities, making it more difficult to pursue options around joint commissioning. Having separate services in the City and County is confusing for carers, and reduces the possible efficiencies which may result from joint commissioning.

Option 2 – do nothing. Nottingham City Council's Carers Strategy has expired. The Care Act 2014 sets out local authorities' responsibilities for ensuring carers are supported to continue their caring role. Whilst it is not a legislative requirement for local authorities to have a Carers Strategy, without a strategy in place we would have no agreed direction for supporting carers in Nottingham. A Carers Strategy is required to ensure that Nottingham City Council have a thorough understanding of carers' needs, that we are prioritising carers in our work, and to guide effective investment in and commissioning of support for carers.

81 Active Travel Social Prescribing national pilot programme 22/23 - 24/25

The Portfolio Holders for Health and Adult Social Care and Highways, Transport and Park presented the report on the award of a £1.589 million, three year grant from the Department of Transport (DfT) to test approaches to active travel behaviour change through social prescribing in communities who are most at risk from inactive lifestyles. The following points were discussed:

- a) The grant will be used to fund a range of travel options to encourage people to switch to active travel options such as cycling and walking and is targeted at areas which currently have the poorest health outcomes.
- b) Initiatives will include expanding the community bike library, offering access to active travel through local social prescribing pathways and funding bike mechanics and cycle repair courses. The programme will be delivered with community organisations and local providers and will support people to embed being active into their everyday lives.
- c) The programme supports the delivery of the Council's Health and Wellbeing Strategy.

Resolved to:

- (1) accept the DfT's revenue grant award of £1,588,785 payable in three instalments over the three financial years 2022/23 to 2024/25 as detailed in the offer letter in Appendix A to the report.**
- (2) approve the allocations for the programme workstreams set out in Appendix B to the report for resources and projects to deliver an active travel social prescribing pilot programme, and to delegate approval of programme variations to the Director of Planning and Regeneration.**
- (3) approve the procurement strategy detailed in Appendix C to the report including approval to tender the following contract opportunities, and to delegate approval of associated contract awards to the Corporate Director of Growth and City Development:**
 - a) to tender for a 3 year framework for local suppliers for community cycle training services up to £250,000**
 - b) to tender for a 3 year framework for local suppliers for community bike mechanics and training services up to £150,000**
 - c) to tender for a 3 year framework for local suppliers for walking services up to £140,000**
 - d) to appoint a suitable provider for call off of personalised travel planning support up to £60,000 via an existing framework (Midlands Highway Alliance PSP3 or ESPO Framework 645 Lot 5).**
 - e) to award up to £25,000 to a suitable consultant under ESPO framework 664 Lot 5 to support the next stage of community co-design to support project commissioning.**
 - f) to make a direct award up to £24,950 to Go Jauntly for a 2.5 year partnership package to commission an interactive walking app to support delivery of community walking projects.**
 - g) to extend the contract award to Sustainable Travel Collective (trading as Ridewise) by up to £22,000 for provision of next phase of Nottingham University Hospitals Active Hospital Walk and Talk Clinics, subject to a successful pilot phase.**
- (4) approve tendering the frameworks for local suppliers for active travel behaviour change services set out in resolutions 3a, 3b, and 3c with additional value to allow provision for implementation of future active**

travel revenue programmes up to March 2026, should additional funding be secured through Capability & Ambition Fund and Active Travel Fund 4 or other external grant opportunities:

- a) community cycle training services up to an additional £450,000, as part of a framework under 3a up to a total combined value of £700,000**
- b) community bike mechanics and training services up to an additional £250,000, as part of a framework under 3b up to a total combined value of £400,000**
- c) walking services up to an additional £210,000, as part of a framework under 3c up to a total combined value of £350,000**

Note this approval is only to let the frameworks up to these values.

Any spend over and above the Active Travel Social Prescribing grant award set out in Appendix B to the report will need to secure separate approval as and when any additional active travel revenue grant awards are secured.

- (5) make awards to the programme partners to enable recruitment of staff resources to directly support programme delivery, to be paid in three annual instalments and to be managed through new service level agreements between the City Council and the delivery partners:**
 - a) Nottingham City GP Alliance up to a total of £200,000;**
 - b) Nottingham Community Volunteer Services up to a total of £85,000;****Proposed governance structure including above programme posts is set out in Appendix D to the report.**

- **Reasons for Recommendations**

Acceptance of the DfT's revenue grant award of £1,588,785 will provide revenue funding until March 2025 to deliver inclusive walking and cycling support services to communities who are most at risk from inactive lifestyles. Walking and cycling is also beneficial for mental health and wellbeing which is the reason for up to 65% of social prescribing referrals in the city. The Active Travel Social Prescribing programme will form part of the Nottingham Place-based Partnership's social prescribing workstream and support the Greenspace social prescribing programme by providing funding to commission a range of active travel support services where social prescribers can refer their clients.

- **Other Options Considered**

To not accept the grant funding – option rejected because this provides three year's revenue investment to fund activities that will contribute to the improvement of long term health outcomes for some of our most at-risk communities. The funding will extend the benefits of the Greenspace social prescribing programme and Nottingham will benefit from shared learning with other pilot areas.

To reconsider the proposed delivery programme – option rejected because the Feasibility Stage in spring 2022 engaged a wide range of local partners to develop the programme. This process demonstrated broad support for the proposed delivery package from local delivery partners and community representatives and the programme returning a "Good" Cost Benefit Ratio.

For the City Council to directly employ all the programme delivery posts – option rejected because there is an established social prescribing workforce. The five front facing delivery posts described in paragraph 1.9 and Appendix D of the report will be most effective if employed by our bid partners Nottingham City GP Alliance and Nottingham Community Volunteer Service. The overall programme management function will remain with the City Council. All staff costs are included in the funding package.

82 EE Monitor Service Contract Extension

The Portfolio Holder for Energy, Environment and Waste Service presented the report on extending the contract the Council has with Waltham Forest Council to provide Heat Metering & Billing services. The following points were discussed:

- a) Nottingham City Council has held a contract with Waltham Forest for ten years. The contract currently covers 846 properties and Waltham Forest aim to extend this to a further 1600 properties over the ten year contract period.
- b) The income from the contract is built into the Council's Medium Term Financial Plan.

Resolved to delegate authority to the Director of Environment and Sustainability in consultation with the Director for Legal and Governance, to sign a 10- year contract to supply EE Monitors and to provide metering and billing services to London Borough of Waltham Forest Council.

- **Reasons for Recommendations**

Nottingham City Council have a long-standing relationship with London Borough of Waltham Forest Council as the preferred supplier of heat metering & billing solutions for the properties they own that are supplied through their heat network. The income from the contract is built into the Medium Term Financial Plan.

Nottingham City Council is currently delivering a billing service to external clients. Not having a contract in place represents a risk as the client could move to another provider with little notice. This would then see a decrease in income from the loss of annual billing income provided by the arrangement in place. All clients currently in contract with Nottingham City Council have EE Monitors installed in their customer properties. A move to a new provider would see us incurring costs as we would need to attend each property to remove our equipment.

- **Other Options Considered**

Do nothing – This option was rejected as we cannot operate without a legally binding contract in place.

End all client contracts: This was rejected as there would be a significant loss of income. All current clients would need to replace the EE Monitors installed in their properties at a significant cost to them.

83 Exclusion of the Public

The Board resolved to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraphs 3, 4 and 5, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information.

84 EE Monitor Service Contract Extension - Exempt Appendix

The Portfolio Holder for Energy, Environment and Waste Services presented the exempt appendix to the report which the Board noted.

85 Revisions to the Pay Policy - Approval of Funding

In the absence of the Portfolio Holder for Housing and Human Resources the Chair presented the exempt report.

Resolved to approve the recommendations as set out in the exempt report.

- **Reasons for Decision**
As set out in the exempt report.
- **Other Options Considered**
As set out in the exempt report.