



**Nottingham City Council
Executive Board**

Date: Tuesday, 20 December 2022

Time: 2.00 pm

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

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

Director for Legal and Governance

Governance Officer: Nancy Barnard **Direct Dial:** 0115 8764312

Agenda	Pages
1 Apologies for Absence	
2 Declarations of Interests	
3 Minutes Minutes of the meeting held on 22 November 2022, for confirmation	3 - 16
4 Medium Term Financial Plan 2023/24 to 2026/27 Report of the Portfolio Holder for Finance	17 - 56
5 Half Year Treasury Report Report of the Portfolio Holder for Finance	57 - 78
6 Review of Revenue and Capital Budgets - Quarter 2 2022/23 Report of the Portfolio Holder for Finance	79 - 110
7 Carers Strategy Report of the Portfolio Holder for Adults and Health	111 - 166
8 Active Travel Social Prescribing national pilot programme 22/23 - 24/25 Report of the Portfolio Holder for Adult Social Care and Health	167 - 210

- | | | |
|-----------|---|-----------|
| 9 | EE Monitor Service Contract Extension
Report of the Portfolio Holder for Energy Environment and Waste Services | 211 - 242 |
| 10 | Exclusion of the Public
To consider excluding 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 | |
| 11 | EE Monitor Service Contract Extension - Exempt Appendix
Exempt Appendix to the Report of the Portfolio Holder for Energy, Environment and Waste Services | 243 - 246 |
| 12 | Revisions to the Pay Policy - Approval of Funding
Report of the Portfolio Holder for Housing and Human Resources | 247 - 290 |

All items listed 'under exclusion of the public' will be heard in private for the reasons listed in the agenda papers. They have been included on the agenda as no representations against hearing the items in private were received.

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

Citizens attending meetings are asked to arrive at least 15 minutes before the start of the meeting to be issued with visitor badges.

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. Individuals intending to record the meeting are asked to notify the governance officer shown above in advance.

Nottingham City Council

Executive Board

Minutes of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 22 November 2022 from 2.02 pm - 2.44 pm

Membership

Present

Councillor Kevin Clarke
Councillor Neghat Khan
Councillor Pavlos Kotsonis
Councillor Rebecca Langton
Councillor David Mellen (Chair)
Councillor Toby Neal
Councillor Andrew Rule
Councillor Adele Williams (Vice Chair)
Councillor Linda Woodings

Absent

Councillor Cheryl Barnard
Councillor Sally Longford
Councillor Audra Wynter

Colleagues, partners and others in attendance:

Nancy Barnard	- Head of Governance
Mel Barrett	- Chief Executive
Wayne Bexton	- Director of Carbon Reduction, Energy and Sustainability
Andrew Errington	- Director of Community Safety
Matt Gregory	- Head of Planning Strategy and Building Control
Clive Heaphy	- Corporate Director of Finance and Resources
Lucy Lee	- Director of Customer Services
Nick Lee	- Director of Education
Malcolm Townroe	- Director of Legal and Governance

Call-in

Unless stated otherwise, all decisions are subject to call-in. The last date for call-in is Friday 2 December 2022 . Decisions cannot be implemented until the working day after this date.

58 Apologies for Absence

Councillor Barnard – On Leave
Councillor Longford – Personal Reasons
Councillor Wynter - Unwell

59 Declarations of Interests

None

60 Minutes

The Board confirmed the minutes of the meeting held on 18 October 2022 as a correct record and they were signed by the Chair.

61 Revised Senior Officer Structure Funding

The Portfolio Holder for Finance presented a report on the funding arrangements for the Senior Officer Structure. The following points were discussed:

- a) The structure had been agreed at the appointments and Conditions of Services Committee in September 2022 and seeks to address build the capacity needed to support the Council's improvement work and establish key roles including a Director of Finance and Director of Housing.
- b) It is proposed that the funding is built into the medium term financial plan and is drawn from the resilience reserve in year one and thereafter is funded from transformation savings.
- c) Accountability for the performance of the new structure sits with the Chief Executive.

Resolved to:

- 1) Note the Best Value Business Case approved by ACOS on 6th September 2022 as part of the council's improvement programme.**
- 2) Approve £810,000 to be built into the council's base budget for the senior management structure of the council.**
- 3) Note that this decision will support the recruitment of permanent staff reducing the requirement for interim arrangements.**

• Reasons for Decision:

Funding is required for the revised senior officer structure agreed by the Appointments and Conditions of Services (ACOS) Committee on 6 September 2022. The revised structure was approved following a period of extensive engagement, including a review of the council's management structure supported by the LGA and their 'Decision Making Accountability' process which, included interviews with 620 members of staff, and feedback from other stakeholders.

There is a requirement to implement the new structure at pace to ensure the Council has the right capacity to continue to deliver on its improvement journey and ensure it is able to meet the statutory duty of Best Value. The proposals seek to ensure that the council management structure has the capability and capacity required to address the broader issues of governance and financial management.

• Other Options Considered:

A number of iterations of the structure were considered in response to feedback and consultation prior to the final proposals being agreed by the ACOS Committee.

In light of outcomes of the non-statutory review and the requirements contained in the Together for Nottingham improvement plan there is no viable option to 'do nothing'.

62 Commercial Strategy

The Portfolio Holder for Adult Social Care and Health presented a report on a new Commercial Strategy for the Council. The following points were discussed:

- a) The strategy is a requirement stemming from the Companies Governance Handbook and Improvement and Assurance Board (IAB) targets and seeks to ensure all commercial ventures are aligned to Council strategies and that risks and impacts are managed well.
- b) The strategy applies to all companies in which the Council has an interest, not just those in which it has a controlling interest.
- c) Significant progress has been made in relation to Council companies, including training for council appointed company directors and the establishment of a shareholder unit, in addition to action taken in relation to companies themselves.

Resolved to approve the Commercial Strategy.

- **Reasons for Decision**

To ensure all commercial ventures are aligned to Council strategies and that risks and impacts are managed well, to meet the requirements of the previously approved Companies Governance Handbook, and to meet the IAB target to have a Commercial Strategy in place by the end of November 2022.

- **Other Options Considered**

Not to approve a Commercial Strategy – this option was rejected as it is a requirement of the IAB and supports the Council's good practice.

63 Residents' Parking Permit Charges and the associated Traffic Regulation Order

The Portfolio Holder for Neighbourhoods, Safety and Inclusion presented a report on the implementation of the approved 2022/26 Medium-term Financial Plan proposal to introduce a Residents Parking Permit Charging Scheme where residents would receive a first permit free of charge (residential or visitor permit), and then be charged £35 for a second permit, and £50 for a third permit. The following points were discussed:

- a) Over 800 city streets are subject to parking permit arrangements. Public consultation was carried out between July and September in affected areas

with over 32,000 households receiving letters. 1087 objections were received in response.

- b) The current scheme costs the Council over £500,000 per year to administer. The new scheme remains generous compared with other areas with the retention of an initial free permit and planned exemptions from charges in line with equality requirements.
- c) A question was raised regarding whether there were any conditions imposing restrictions on parking arrangements on the Nottingham Trent University Clifton Campus requiring the university to restrict parking for those from particular postcodes.

Resolved to:

- 1) notes the results of the formal consultation that has been undertaken.**
- 2) Having considered the responses to the consultation and the Council's duties under the Equalities Act 2010, the Traffic Management Act 2004 and section 122 of the Road Traffic Regulation Act 1984, approves in principle the making of the Nottingham City Council (City Wide, Nottingham) (Proposed Resident Permit Charges & Amendments to Articles) Traffic Regulation Order 2022, subject to further work first being undertaken to consider whether modifications to the proposed Traffic Regulation Order should be made to include dispensations to the charges for the second and third resident parking permits following further consideration of the consultation responses and the amended Equality Impact Assessment ("EIA"), attached to the report as appendix 5.**
- 3) Delegate authority to the Corporate Director, City Growth and Development in consultation with the Portfolio Holder for Highways, Transport and Parks to approve the making of the proposed Traffic Regulation Order as modified following the completion of the further work outlined in resolution 2) above.**
- 4) Request that the Corporate Director for Growth and City Development establishes whether there are any requirements imposing parking restrictions on the Nottingham Trent University Clifton Campus.**

- **Reasons for Decisions**

There are around 800 streets in the city subject to Resident Permit Parking Restrictions. These have been introduced by Traffic Regulation Orders ("TROs") over a number of years for varying reasons pursuant to the Road Traffic Regulation Act 1984, and in all cases will have been proposed in relation to excessive numbers of vehicles not associated with residents. The proposed Traffic Regulation Order as consulted upon needs to be "Made" and in place to authorise the Council's proposed introduction of resident and resident visitor permit charges, by way of amending existing TRO's that include provisions for Resident Permit Parking.

There are currently over 45,000 free residential and visitor permits in circulation. The current residential parking permit scheme costs the Council annually in excess of £500,000 to administer. This proposal, if the proposed Traffic Regulation Order is made, would generate an estimated £412,500 as a contribution to these charges.

Due to the financial position of the Council, and the proposals made within the Medium-Term Financial plan, if the proposed Traffic Regulation Order is made, the income received from the charges is required to support this function. To ensure adequate management of traffic throughout the Council's permit parking areas, restrictions have been deemed necessary and should not be removed without additional investigation into the highway network impacts this action would cause. (Further funding and the successful completion of additional TRO's would be required to enable the removal/amendment of any current TRO provisions).

The operation, management and maintenance of permit parking areas is needed to adequately manage the demand for parking, helping to ensure that non-resident parking does not take place to the detriment of residents, residing in these areas.

In many resident parking areas, parking capacity issues exist and charging for additional permits may encourage reduced vehicle use.

If the proposed Traffic Regulation Order is approved in principle and subsequently made the new residential permits will be paperless and sent virtually which will help reduce our carbon footprint. There will be no change to visitors permits which are printed, laminated, and sent out in the post.

- **Other Options Considered**

One option is not to progress the proposed Traffic Regulation Order which allows for a charge for resident and resident visitor parking permits (not affecting charges for students and business permits), and retain the current arrangement which means the scheme would continue to be fully funded by the council taxpayers across the city. This option was not recommended as it would not deliver the savings required by the Medium Term Financial Plan.

A second option is to charge for all residents and visitors permits which are issued, removing the first free permit resulting in further contribution to the cost of permits. This would first require a further amended TRO to be prepared and consultation on that further amended TRO in accordance with the 1996 Regulations with the public and statutory consultees. This is not recommended given that this has not formed the basis of consultation.

64 The Greater Nottingham Strategic Plan: Preferred Approach - Approval to Consult

The Portfolio Holder for Leisure, Culture and Planning introduced a report on the draft Greater Nottingham Strategic Plan which requires approval before going out for public consultation. The following points were discussed:

- a) The Plan covers the period 2022 – 2038 and the areas of Nottingham City, and Broxtowe, Gedling and Rushcliffe Boroughs. It seeks to encourage sustainable growth across the area covered through the use of, for example, existing infrastructure, brownfield sites and urban living.
- b) Once adopted, the Greater Nottingham Strategic Plan will replace the Greater Nottingham Aligned Core Strategies (Local Plan Part 1).

Resolved to

1) Approve the “Greater Nottingham Strategic Plan - Preferred Approach” (appended to the report), in so far as it relates to Nottingham City, for a period of public consultation.

2) delegate authority to the Director of Planning and Regeneration to approve any minor changes (e.g. typographical and grammatical) required to the Preferred Approach document and the evidence base prior to consultation.

- **Reasons for Decisions**

Consultation on the Preferred Approach document and the associated evidence base will contribute to the robustness of the next version of the Strategic Plan. Such documents must be approved by Executive Board prior to the commencement of a statutory consultation period. The Preferred Approach does not include the full range of topics which will be included in the Strategic Plan, but focusses on housing and employment provision, as these are the most contentious issues the Strategic Plan must address.

- **Other Options Considered**

No other options were considered. The production of a Local Plan is a statutory duty. It would be possible for Nottingham City Council to prepare a Local Plan without the involvement of the partner Borough Councils, but this has been rejected as significant cost savings are achieved in preparing a joint document, which also ensures a consistent and coherent planning policy approach across the wider area.

65 Holiday Activity Fund, January - December 2023

In the absence of the Portfolio Holder for Children, Young People and Schools, the Leader of the Council presented a report on the acceptance of Department for Education (DfE) funding for 2023-24 to support children at risk of holiday hunger through the delivery of school holiday activities and meals. The following points were discussed:

- a) Previous schemes have been implemented via the funding of community groups.

- b) There will be a focus on building delivery for children and young people with Special Educational Needs and Disabilities to ensure the offer is inclusive.

Resolved to:

- 1) **accept the estimated maximum £2,000,000 grant from the DfE for 2023/24 and enter into any associated grant agreement with the DfE. If the figure awarded to Nottingham City Council is in excess of £2 million a further decision will be written to accept that funding.**
- 2) **delegate authority to the Director of Education to allocate the grant, in accordance with to the Council's Contract Procedure Rules and in accordance with the grant conditions from government.**
- 3) **note the forecasted budget expenditure, as detailed in appendix to the report.**

- **Reasons for Decisions**

The Holiday Activity Fund, first awarded to Nottingham City Council in 2021, aims to support children at risk of holiday hunger. The Department for Education devolve this funding to Local Authorities who are best placed to understand the needs of our citizens and distribute funds to organisations that support communities.

The funding amount for 2023 will not be confirmed until December 2022, so this paper estimates a maximum figure. This is to allow the HAF Project Manager and team to conduct a full bidding process for a Lead Partner and to engage community groups in time for delivery in 2023.

- **Other Options Considered**

Nottingham City Council does not have to accept this funding, but this is not an option we would consider because this support is needed for Nottingham residents.

66 Enviroenergy Tariff Increases for 2023

In the absence of the Portfolio Holder for Energy, Environment and Waste Services the Leader of the Council introduced a report on the heat and power supply charges to Enviro Energy customers applicable from 1st January 2023. The following points were discussed:

- a) The decision has been brought to Executive Board following the in-housing of Enviro Energy.
- b) The increase has taken the Energy Prices Bill, the wholesale costs of energy and the increasing operating costs of the District Heating Scheme and Private Wire Network and represent good value for customers.
- c) The increase has been referenced in a newsletter to customers and all customers will be given the 30 days' statutory notice of the increase. The price increase will be implemented from 1 January.

Resolved to

- a) **set domestic heat tariffs at a daily standing charge of 0.3572 pence per day, and a Unit Charge of 0.0824 pence per kilowatt hour, applicable from 1st January 2023.**
- b) **set domestic electricity tariffs at a daily standing charge of 0.3680 pence per day, and a Unit Charge of 0.2722 pence per kilowatt hour, applicable from 1st January 2023.**
- c) **set commercial heat tariffs to rates detailed in the Exempt Appendix, applicable from 1st January 2023, unless otherwise determined by the supply contract in place.**
- d) **set commercial electricity tariffs to rates detailed in the Exempt Appendix, applicable from 1st January 2023, unless otherwise determined by the supply contract in place.**
- e) **delegate authority to the Director of Environment and Sustainability, in consultation with the Portfolio Holder for Energy, Environment and Waste Services, the Director of Legal and Governance and the Corporate Director for Finance & Resources to vary tariff charges as necessary to achieve statutory compliance with potential future legislative change regarding energy prices.**

- **Reasons for Decisions**

Energy Prices for customers of the Council’s District Heating and Private Wire Networks are determined and applied annually from 1st January each year. Prices are determined through a combination of contractual indexation mechanisms, benchmarking the cost of energy against counterfactual wholesale energy markets and the expenditure required to operate and maintain the Combined Heat and Power plant and distribution networks providing energy to customers.

The decisions also take account of the Council’s fuel poverty and carbon neutrality ambitions and reflect what is considered to fair and reasonable proposals.

- **Other Options Considered**

The table below presents options for increasing charges with a rationale for each. All options apply the calculated maximum Standing Charge for gas in line with the Government’s Energy Price Guarantee, with the exception of Option 6 which advocates applying RPI to both the current Enviroenergy Standing Charge and also the current Enviroenergy Unit Charge.

Option	Description	Average %age Increase
1	Apply the OFGEM gas price cap rates announced on 26 th August 2022.	73.56%

2	Apply the Energy Price Guarantees' maximum calculated Standing Charge and increase the maximum EPG Unit Charge by 15% for district heating efficiency.	58.08%
3	Apply both the Energy Price Guarantees' maximum calculated Standing Charge and the EPG maximum Unit Charge.	41.60%
4	Apply the calculated "All-In" cost per kWh determined by the Energy Price Guarantee	21.84%
5	Apply the Energy Price Guarantees' maximum calculated Standing Charge and increase the current Unit Charge by 20%	17.30%
6	Apply the Retail Price Index (RPI) to both the Standing Charge and Unit Charge	8.61%

An analysis of these options is presented in the table below:

Domestic Heat Tariff Options	Standing charge per day (£)	Unit Charge per kWh (£)	"All in" Rate for average customer* (£)	"All in" %age Increase for Average Customer	Increase per week for Average Customer
1. OFGEM Price Cap	0.3572	0.1296	0.1586	73.56%	£5.82
2. EPG + 15% on Unit Charge	0.3572	0.1155	0.1444	58.08%	£4.59
3. Maximum EPG rates	0.3572	0.1004	0.1294	41.60%	£3.29
4. Composite EPG All-In Rate	0.3572	0.0824	0.1113	21.84%	£1.73
5. EPG Standing Charge + 20% increase on Unit Charge	0.3572	0.0782	0.1072	17.30%	£1.37
6. RPI	0.3569	0.0721	0.1011	10.64%	£0.84

*Based on average Enviroenergy domestic customer consumption

Recommended option

The recommendation presented is for **Option 4** which price matches the "All In" rate per kWh calculated to match the gas Energy Price Guarantee when applied to an average East Midlands domestic gas consumer. In other words, based on average consumption, Enviroenergy customers would pay the same price per unit of energy as those on gas supply once the Standing Charge cost is factored into the total cost. However, the benefit to district heating customers is the comparative efficiency of district heating and gas boilers, a contributory factor towards why an Enviroenergy

customer consumes less heat energy than their gas counterparty, and therefore why their annual heating costs also remain lower than the national average.

The additional cost recommended is an additional 3½p per day on the Standing Charge and 1¾p per kWh on the Unit Rate. This represents an overall increase of 22% for the average Enviroenergy customer, with an additional weekly cost of £1.73 per week.

If the recommendation is accepted, the average domestic district heating customer will have an annual predicted heating cost of £500, compared to the EPG cost for the same volume of gas, at £582. The fact that the average gas consumer uses 7,500 kWh of energy more per year than the average district heating customer reduces their “All In” costs to the same overall unit rate, despite their overall heating bill being much higher. For district heating customers, a higher than average consumption of district heat would reduce the “All In” unit cost, whilst lower than average consumption would increase it, albeit a higher proportion of this income is still secured as a Standing Charge.

Options 1 to 3 are rejected on the basis that the composite “All-In” rates per kWh exceed those of the domestic gas Energy Price Guarantee, and Options 5 and 6 are rejected because they do not generate sufficient additional income to offset rising operating and maintenance costs of the scheme.

Options for increasing Domestic Electricity Tariffs

Whilst the customer base is relatively small (109 customers), current domestic electricity tariff charges for Enviroenergy customers reside significantly below the government Energy Price Guarantee for electricity. Options to increase domestic electricity tariffs are presented in the table below.

Option	Description	Average %age Increase
1	Apply OFGEM price cap discounted by 15%.	152.2%
2	Apply the calculated “All-In” cost per kWh determined by the Energy Price Guarantee	96.2%
3	Apply a 20% reduction to the Standing Charge and Unit Rate determined by the Energy Price Guarantee	75.7%
4	Apply a 50% uplift to both the current Standing Charge and Unit Rate	50.0%

Enviroenergy domestic power customers have no option but to remain with Enviroenergy unless the owners of the Atrium building meet the cost of establishing a separate connection to the National Grid which would enable other market providers to sell them power which would be at the full Energy Price Guarantee detailed in Option 2.

The following table presents an analysis of the financial impact of each of the options if applied to the current domestic electricity customer base:

Domestic Heat Tariff Options	Standing charge per day (£)	Unit Charge per kWh (£)	"All in" Rate for average customer* (£)	"All in" %age Increase for Average Customer	Average increase per customer per week
1. OFGEM price cap minus 15%	0.4359	0.4117	0.5117	152.2%	£9.45
2. Composite EPG All-In Rate	0.4600	0.2927	0.3982	96.2%	£5.98
3. EPG Standing Charge and Unit Rate minus 20%	0.3680	0.2722	0.3566	75.7%	£4.70
4. 50% increase on current rates	0.3402	0.2264	0.3044	50.0%	£3.10

*Based on average Enviroenergy domestic customer consumption

Recommended option

The recommended option is **Option 3**. Compared to the market, this price increase still provides value for money to customers as it is 20% below the Energy Price Guarantee. The Standing Charge therefore increases by 14p per day and the Unit Rate by 12p per kWh. Overall, this is a 75% increase over current costs, at an additional average weekly cost increase of £4.70.

67 London Road - Emergency Planning function

The Portfolio Holder for Strategic Regeneration and Communications presented a report on the assignment (sale) of the Council's occupational lease of accommodation at London Road Fire Station. The following points were discussed:

- a) The impacts of the transaction demonstrate strong and effective partnership working with the Police and the Fire Authority, and secure additional permanent Police presence in the Meadows area of the City. The bringing together of services and the Police presence in the Meadows will be positive for the city.
- b) The Council's Emergency Planning function are currently located in London Road and will be transferred to Loxley House with some storage facility subleased back to the Council.

Resolved to

- 1) approve the terms of an assignment of the Council's occupational lease in accommodation at London Road Fire Station, currently housing the Council's Emergency Planning function (EPf), to the Police and Crime

Commissioner on the terms as detailed in the exempt appendix to the report.

- 2) delegate authority to the Director of Economic Development and Property to approve final terms and conditions.**
- 3) approve a lease back of the storage accommodation at London Road to the Council on terms to be approved by the Director of Economic Development and Property.**
- 4) note the beneficial impacts of the transaction and arrangements for the bringing back of the Emergency Planning function into Loxley House and associated timescales.**
- 5) note that the decision facilitates the securing of a permanent Police presence in the Meadows area of the City in support of the Council's Corporate Priorities in relation to community safety.**

- **Reasons for Decisions**

To facilitate the assignment of the council's lease to the Police and Crime Commissioner and settle the basis of the reimbursement of the Council's relocation and associated costs.

- **Other Options Considered**

Not to agree the proposals. This would result in a maintenance of the status quo.

68 Revenue and Benefits Service

The Portfolio Holder for Finance introduced a report on the transfer of service undertakings from Nottingham Revenues and Benefits Ltd to the City Council on 1st April 2023, when the current contract expires. The following points were discussed:

- a) The transfer will enable closer working between revenues and benefits and other Council services creating opportunities for more streamlined services and better outcomes for customers.
- b) Staff will transfer to the Council under TUPE arrangements.
- c) Nottingham Revenues and Benefits limited was established to be a subcontractor to Northgate. Northgate no longer exists therefore there is no longer a driver for the existence of the company.

Resolved to

- 1) approve a transfer of service undertakings from Nottingham Revenues and Benefits Ltd to the City Council on 1st April 2023, subject to the services being operated within the constraints of the Council's budgets and any legal requirements.**

- 2) delegate authority to the Chief Executive, in consultation with the Portfolio Holder for Finance, Chief Financial Officer and Head of Legal, to complete the financial, commercial and legal aspects of a service transfer to the Council on 1st April 2023**
- 3) note that, following the Transfer of Services, the Limited Company will be taken through a managed closure whilst solvent.**

- **Reasons for Decisions**

The use of a wholly owned company to deliver Revenues and Benefits services is not a commonly found arrangement and the additional structures of operating a company can be simplified through transfer to an in house delivery model.

During the period in which the company has been operated as a Teckal arrangement, the governance associated with managing and monitoring a contract between the Council and company has required significant resources but has not demonstrated any greater value than the governance associated with an internal department. In addition, the need for a contractual arrangement has added a degree of inflexibility to the arrangement which, if removed, will allow greater potential for achievement of efficiencies and changes to operational practices.

Integration into wider Customer and Business Support transformation programmes can be achieved through Service transfer. Resources are already in place to on-board NRB services into the transformation programme, providing an opportunity to achieve improved access to services for citizens.

The Council has recently set out its framework for companies' governance which required minimum standards of company board governance in line with recognised codes of practice. The company board currently has a number of key vacancies for directorships and in the near-term those standards will be challenging for the company to achieve in full. Investing in additional board directors will take time for both the Council and company, which could alternatively be used to pursue efficiencies and improvements under an in house arrangement.

It is anticipated that there is an opportunity for significant cost reduction when the services are brought into the wider Customer and Business Support transformation programme.

The transition is considered to be achievable in the time available, the current operating model relies on a number of key enabling services being delivered by the Council, such as payroll, accommodation, business systems, IT and telephony. Therefore, the platforms required to continue services as a Council department are largely in place.

- **Other Options Considered**

To retain the separate legal entity, extend the contract between NCC and the Company for the provision of Services and support the company to invest in its

governance, Board capability and controls framework. This option is not considered suitable to achieve Best Value of the services to the Council or Citizens.

Procurement of an alternative service provider through a market exercise; this option was rejected due to the timeframes associated with such a process and the current challenges the Council has faced in collating robust data on the current service and the business interest of the company. This option is not precluded by a transfer to in house and could be considered at a later date.

69 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.

70 Exempt Minutes

The Board confirmed the exempt minutes of the meeting held on 18 October 2022 as a correct record and they were signed by the Chair.

71 Enviroenergy Tariff Increases for 2023 - Exempt Appendix

The Leader of the Council presented the exempt appendix to the report which the Board noted.

72 London Road - Emergency Planning function - Exempt Appendix

The Portfolio Holder for Strategic Regeneration and Communications presented the exempt appendix to the report which the Board noted.

73 Revenue and Benefits Services - Exempt Appendices

The Portfolio Holder for Finance presented the exempt appendix to the report which the Board noted.

Subject:	Medium Term Financial Plan 2023/24 to 2026/27
Corporate Director(s)/Director(s):	Clive Heaphy, Interim Corporate Director for Finance and Resources
Portfolio Holder(s):	Councillor Adele Williams, Deputy Leader and Portfolio Holder for Finance
Report author and contact details:	Debbie Middleton, Interim Director of Finance and Deputy S151 Officer Debbie.middleton@nottinghamcity.gov.uk
Other colleagues who have provided input:	Colleagues within Strategic Finance
Subject to call-in:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Key Decision:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date:
Total value of the decision:	Nil
Wards affected:	All
Date of consultation with Portfolio Holder(s):	Throughout August to December
Relevant Council Plan Key Outcome:	
Clean and Connected Communities	<input checked="" type="checkbox"/>
Keeping Nottingham Working	<input checked="" type="checkbox"/>
Carbon Neutral by 2028	<input checked="" type="checkbox"/>
Safer Nottingham	<input checked="" type="checkbox"/>
Child-Friendly Nottingham	<input checked="" type="checkbox"/>
Healthy and Inclusive	<input checked="" type="checkbox"/>
Keeping Nottingham Moving	<input checked="" type="checkbox"/>
Improve the City Centre	<input checked="" type="checkbox"/>
Better Housing	<input checked="" type="checkbox"/>
Financial Stability	<input checked="" type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>This report updates Members on progress in developing the Council's General Fund Medium Term Financial Plan (MTFP) for the 4-year period 2023/24 to 2026/27 and builds on the Council's Together for Nottingham Plan. A refresh of the Together for Nottingham Plan was approved by Full Council on 31 October 2022 and achieving sustainable medium-term finances remains a key priority within the plan.</p> <p>It is a legal requirement to set a balanced General Fund Budget for 2023/24 by 11 March 2023. In addition, it is a Best Value requirement to demonstrate the financial sustainability of the Council through setting a balanced 4-year MTFP. The plan will show how financial growth items, savings and income proposals will be addressed and delivered as part of a medium-term sustainable approach.</p> <p>This report seeks approval to enter into consultation on current savings and income proposals. Whilst the MTFP presented in this report is currently forecast to be in surplus over the 4-year period there remains a budget gap of £3.2m in 2023/24. Therefore, further work needs to be undertaken to present a balanced position for each year ahead of the updated MTFP which will</p>	

be reported to February 2023 Executive Board and this will require further budget proposals to be identified to provide options to close the remaining budget gap. This report sets a framework and an approach to delivering a balanced budget in line with statutory requirements. This includes some proposals for delivering savings in 2023/24 and future years which the Council is now consulting on.

The MTFP is predicated on a number of assumptions that are subject to change prior to final budget setting by the Council in March 2023. The report reflects announcements made in the Chancellors Autumn Statement on the 17 November 2022. However, the full extent of the impact upon the Council's finances will only become clearer when the Provisional Finance Settlement for Local Government is announced, this is expected to be during the week commencing 19 December 2022.

Once the Final Finance Settlement has been announced, any variation in assumptions will be reflected and updated in the MTFP for presentation to the Executive Board in February 2023 and will inform the final budget proposals at Full Council in March 2023.

The revenue element of the MTFP is set out in the context of:

- a period of exceptionally high inflation particularly around energy, fuel and contract costs together with increased pay inflation;
- a cost of living crisis impacting on citizens;
- a challenging employment market, with recruitment and retention issues internally within the Council and generally across the wider public sector;
- increased demand for services, in particular those relating to Adults Social Care and Children's Social Care, and Homelessness which is expected to continue over the life of the plan;
- a challenging financial position with some post-Covid pandemic supply chain challenges continuing to impact upon the Council's finances;
- the need to secure financial sustainability and resilience; and
- continued lack of certainty over future Government funding that impacts adversely upon the Council's ability to carry out any long term financial planning.

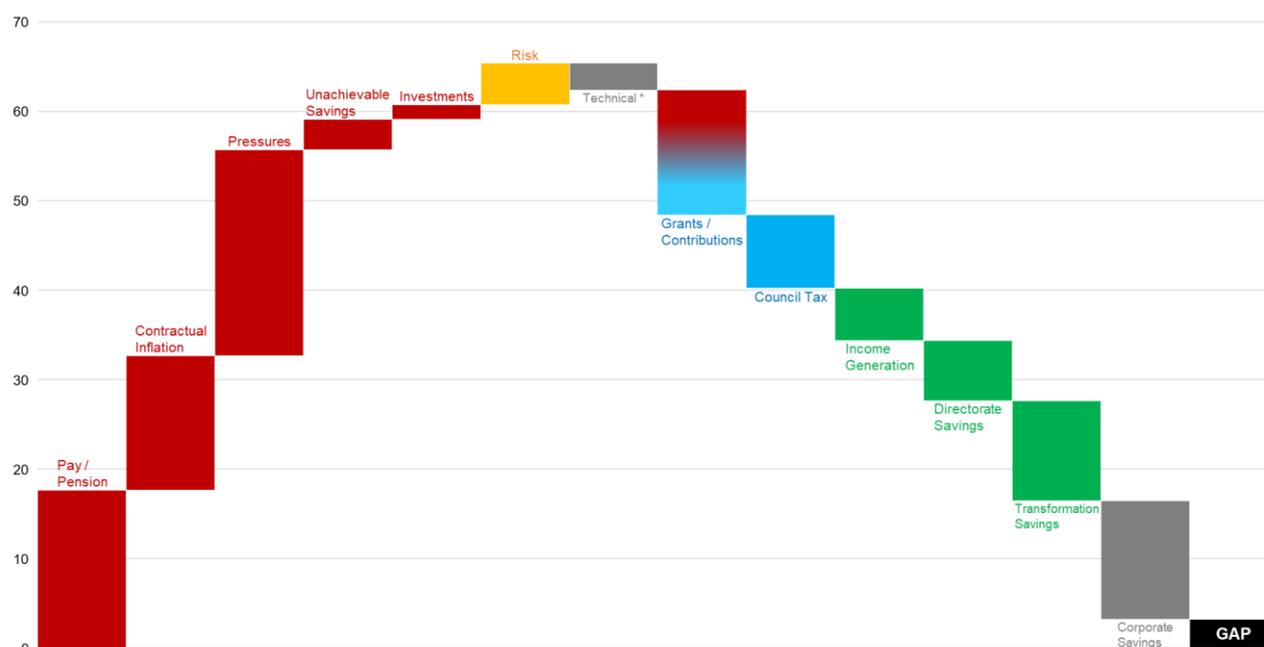
This initial assessment of the MTFP is based on the following key assumptions:

- a. a starting budget gap of **£32.2 million** for 2023/24 rising to **£44.0 million** in 2026/27, driven largely by pay and non-pay inflation and demand pressures;
- b. assumed 2023/24 Settlement Funding Assumptions of **£111.8 million** and 'flat cash' funding for the remaining period of the MTFP, details of which are as yet unconfirmed and will be updated as part of the February 2023 MTFP Executive Board report;
- c. following the Chancellor's Autumn Statement in November and the changes permitted in relation to raising of Council Tax, the MTFP is based on a proposed increase in core council tax from April 2023 of **2.99%** and an additional increase of **2.00%** Adult Social Care Precept to fund the pressures in Adult Social Care as permitted by Government for 2023/24. The total proposed increase in Council Tax is therefore **4.99%** for 2023/24;
- d. the MTFP for 2024/25 assumes the maximum increase as announced in the Chancellor's Autumn Statement of a **4.99%** increase comprising the same mix of funding as 2023/24. The assumed Council Tax increase for 2025/26 and 2026/27 is a core **1.99%** per annum with no assumed increase in relation to the Adult Social Care Precept for these years.
- e. growth items of **£46.8 million** in 2023/24 rising to **£83.8 million** in 2026/27, arising primarily from pressures in pay inflation, inflationary and demand pressures in housing and homelessness, adults and children's social care, inflationary pressures upon energy

costs and other pressures resulting from re-basing budgets within Finance & Resources Directorate;

- f. assumed pay inflation of **4.00%** per annum for 2023/24 and 2024/25, **3.00%** for 2025/26 and **2.00%** for 2026/27;
- g. in response to the recruitment and retention challenges within the Council a revised pay structure is being proposed, a separate report is being presented to the 20 December Executive Board. The additional cost of this proposal is **£4.5 million** in 2023/24 with a cumulative cost of **£5.3 million** over the 4-year period.
- h. new savings of **£29.0 million** for 2023/24, of which **£10.3 million** requires public consultation;
- i. the 4-year MTFP currently has a surplus of **£8.8 million**, however there is further work to do to test budgeting assumptions. There is a remaining gap of **£3.2 million** for 2023/24 and the February Executive Board updated MTFP will present a balanced position for 2023/24. Further work is on-going to identify ways to close the gap and to secure a robust MTFP that takes account of the Council’s medium term capital programme and capital strategy, treasury strategy and transformation programme that is fundamental to the delivery of planned transformation savings over the period of the MTFP.

The waterfall chart below broadly illustrates the cost drivers for the 2023/24 gap alongside funding assumptions and budget proposals on income and savings to close the budget gap



The Housing Revenue Account 2023/24 budget and MTFP will be presented to February 2023 Executive Board.

The updated MTFP report in February 2023 will include an updated position for the Capital Programme.

The Council’s Chief Financial Officer (Section 151 Officer) has a statutory duty to make an assessment of the robustness of the budget and adequacy of reserves. The MTFP to be presented to February 2023 Executive Board will provide this assessment.

The figures presented in this report are generally annual movements with a cumulative total MTFP column, this represents a different and simpler presentation to previous year’s reports

which illustrated the cumulative position in each year compared to the current base budget position.

The Council implemented a new Senior Level Structure and Organisational Design in November 2022. The MTFP work commenced prior to the implementation of this new structure and therefore the report is presented under the previous Directorate headings. The February 2023 updated MTFP will be presented in form of the new management structure.

Does this report contain any information that is exempt from publication? No

Recommendation(s):

- 1** To endorse the draft public consultation proposals as set out in **Appendix 1** and to commence formal public consultation on those proposals.
- 2** To 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.

1. Reasons for recommendations

- 1.1 This report seeks endorsement of the Council's first phase of its draft budget and MTFP proposals for 2023/24 to 2026/27 to 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.
- 1.2 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.
- 1.3 The report sets out the assumptions made for the General Fund revenue element of the MTFP and the proposals to reduce costs and generate income that will contribute towards the delivery of a balanced budget. 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. It should also be noted that 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.

1.4 These proposals build on the existing 2022/23 budget approved in March 2022.

1.5 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.

2. Background (including outcomes of consultation)

Nottingham City

2.1 Nottingham is a great place to live, work, study and play. It is a culturally vibrant, diverse and attractive city where families want to live, businesses want to invest, students want to study at our two global universities, and people want to visit for a good day out.

2.2 It is a young and growing city of **323,600** people, with **48%** of citizens under the age of 30 and a local population that is projected to increase by over **15,000** people over the next decade.

2.3 It is a diverse city, where local people have a strong sense of community, built on our shared history, challenge and creative spirit, and is a place where collaboration and new creative voices are encouraged and heard. Of our local population, **42.7%** are from a non-White British background, higher than the England average of **26.5%**. We are a dynamic city with nearly **68,000** people studying full time at the two Universities,

2.4 Nottingham ranks as the **11th** most deprived area in the country, and nearly **30%** of the City lives in areas ranked as amongst the **10%** most deprived areas in England. Local people face significant health inequalities, with men and women in some of our poorest areas dying **10** years earlier on average than those in our most affluent areas.

2.5 Employment and skills are long standing challenges, with **4.7%** of working age people claiming unemployment benefits compared to **3.5%** of people across England. Unemployment in the City has fallen by more than **40%** since it peaked during the Covid pandemic, but still remains slightly above the pre pandemic rate. Skill levels in the city generally lower, with **70.9%** of working age adults having entry level skills (equivalent to 5 good GCSE passes) compared to the average for England of **78.1%**.

2.6 In addition, the Covid pandemic has exacerbated those long-standing inequalities in income, health and opportunity in Nottingham, with the worst impacts being felt by our most deprived and diverse communities.

2.7 These same communities are likely to be worst hit by the cost of living crisis as increases in wages and benefits are unlikely to match the increased costs of food, energy and rent.

2.8 Nottingham has a particularly low Council Tax base with **62.5%** of properties in Band A and **17.5%** in Band B, this total of **80.0%** in Band A and B for Nottingham is significantly higher than the national Band A and B percentage of **43.5%**. This means that a great proportion of our residents pay at Band A and B than comparable councils and a higher rate of Council Tax is needed to

derive the same yield compared with other Councils. **Table 1** below shows the number of dwellings on the valuation list as at 12 September 2022. The value of the increases in Council Tax being proposed are detailed in the Council Tax section of this report.

Council Tax Band	A	B	C	D	E	F	G	H	Total
Total number of dwellings on the valuation list	90,237	25,320	16,743	7,544	2,571	1,103	742	115	114,375
% in each Band	62.5%	17.5%	11.6%	5.2%	1.8%	0.8%	0.5%	0.1%	100%

- 2.9 Taken together, 2.1.-2.8 above represent medium term challenges to our prosperity and wellbeing, both as a city and as an organisation, with significant and increasing demand for the vital statutory services we provide, such as adult social care and child protection.
- 2.10 Meeting these challenges will mean transforming the way we deliver some services and doing some things differently with the help of our communities and partners.
- 2.11 We will work with local people and our partners to deliver the outcomes in the **Together for Nottingham Plan** that will make Nottingham a world-class city that is **Safe, Clean, Ambitious** and **Proud**, but we must ensure that we do this within our means, based upon a sustainable financial position.

Together for Nottingham Plan

- 2.12 The Council’s refreshed Together for Nottingham Plan was approved at a meeting of Full Council on 31 October 2022. This plan confirms and provides assurance to the Government that Nottingham’s response to the Non-Statutory Review (NSR) of the council is positive and being undertaken at pace, building on work already underway in response to the Public Interest Report on the Council’s governance of Robin Hood Energy (PIR) published in August 2020. A copy of the Together for Nottingham Plan can be accessed from the link below:
<https://committee.nottinghamcity.gov.uk/ieListDocuments.aspx?CId=155&MId=9884>

Adult Social Care

- 2.13 The vision for adult social care continues to be that all older and disabled citizens in Nottingham will be enabled to live as independently as they can, and be connected into their communities. Where formal care and support is needed it will help to retain and restore independence and be good value, spending the Nottingham pound in the most effective way possible towards achieving better outcomes. The key projects within our transformation programme continue to focus on early intervention and prevention, choice and control and retaining independence. Adult Social Care has also continued to develop and seeks to improve service delivery, with a focus in the transformation programme on service re-design and significant progress on the key enablers of transformation – workforce, systems, practice, process and policy.

2.14 Adult Social Care, including Whole Life Disability services, is the largest area of net expenditure for the Council at **£84.3m (37%** of the Council's total net budget) for 2022/23. Care sector workforce capacity, demand and backlogs for the Health and Care sector continues to provide challenges for the Council and the budget proposals reflect increased demand for services with new projects directed towards seeking to support more people, more quickly, with enabling approaches in order to help reduce those demands.

2.15 The Adult Social Care Transformation programme is based on a continuation of progress against the Better Lives, Better Outcomes strategy, benchmarking data and engagement with frontline staff, people who use services and partners - Adult Social Care has developed an ambitious transformation programme, including projects that cover three key areas:

- **Prevention:** projects that will 'prevent, reduce or delay' need for care and support
- **Service offer:** projects that will focus on ensuring that people have choice and control over what happens to them and how support meets their needs in the most appropriate setting for them, and
- **Workforce:** projects that will underpin the delivery of all other changes, encompassing the use of technology, updated standards and policies and effective workforce recruitment and retention.

2.16 The programme aims to deliver the Social Care Futures Inquiries' 5 key changes to the residents of Nottingham.

1. Communities where everyone belongs;
2. Living in the place we call home;
3. Leading the lives we want to live;
4. More resources, better used
5. Sharing power as equals.

2.17 The programme team and service are developing ways to engage, co-design and co-produce new ways of working and service delivery that empower citizens to be more in control.

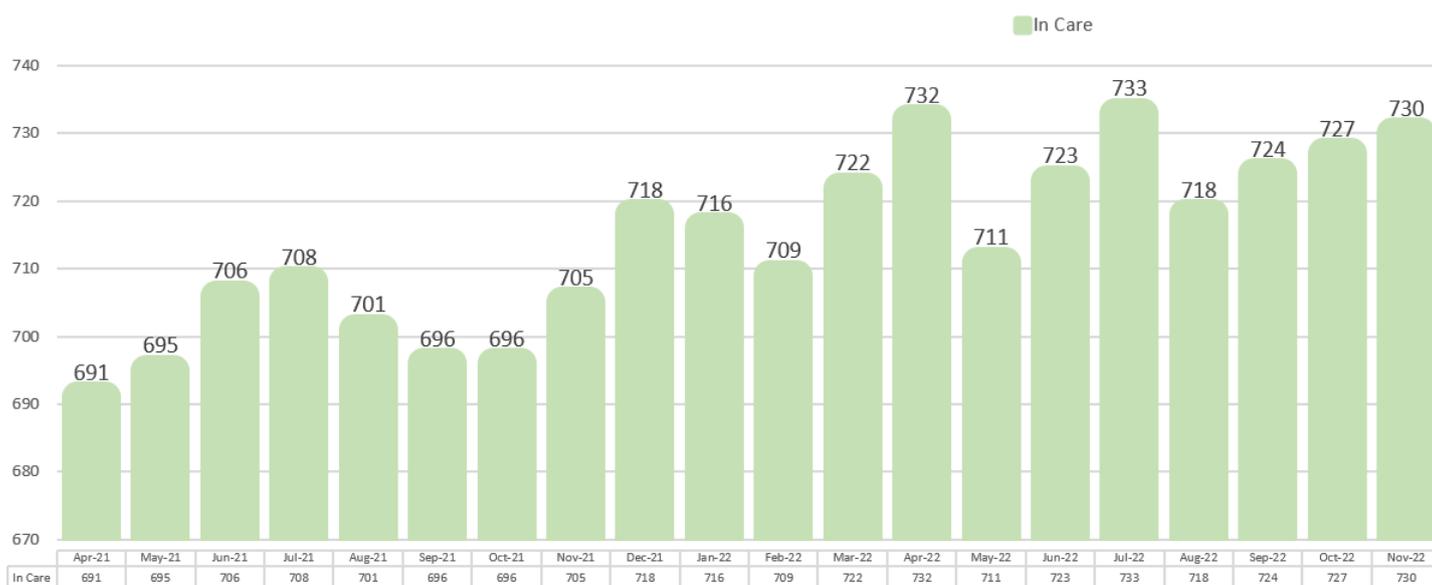
2.18 Adult Social Care has been the focus of significant plans for reform. Although some reforms have been delayed, such as the cap on care costs and changes to the means test, there are still likely to be significant changes on the immediate horizon, with a new Care Quality Commission inspection and assurance framework due to launch in 2023; changes to Liberty Protection Safeguards; work towards improving care market sustainability; and continued progress towards greater joined up working with Health and Care partners in a new Integrated Care System.

Children's Social Care

2.19 Our shared vision with partners is for Nottingham to be a city where every child can enjoy their childhood in a warm and supportive environment, free from poverty and safe from harm; a city where every child grows up to achieve their full potential. Our Changing Lives Changing Futures programme is an ambitious transformation and improvement programme focused on improving outcomes for children.

2.20 Nottingham has a high young population compared to other cities, with **48%** of the population below 30. In 2021 the 'children in low income families measure' suggests that **25.1%** of children under 16, were living in families where the income is less than **60%** of median compared to **18.4%** nationally. The number of young people, and those living in poverty directly impacts on the number of children requiring support from Children's services.

2.21 There is a continuing financial impact of demand pressures within children's social care as a result of a number of factors: the continued impact on children and their families from the Covid pandemic, the emerging impact of the cost of living rises, the cost of care packages combined with the increasing complexity of casework and presenting need. Children in care figures in Nottingham for the period April 2021 to November 2022 are shown below.



2.22 This represents an increase of **39** children in care since April 2021, which is a **5.6%** increase.

2.23 The Council's children in care population at November 22 is **730** which represents an increase of around **12.0%** since 2016. Although we have seen a steeper increase in the most recent years, it is noted that the overall growth in the last five years, is lower than national and regional growth. Since the beginning of 2022 the number of children in care has remained fairly static, however, nationally recognised challenges in the placement market has an impact on placement availability, driving up costs and creating significant budgetary pressures.

2.24 The Children's net budget for 2022/23 is **£67.4m** (**30%** of the Council's net budget).

2.25 The Council's services for children have been inspected during 2022 and received an Inadequate judgement and priority areas for action in relation to quality of practice and workforce capacity have been identified. The Department for Education is working with Children's Services to support the improvement work and there will be an increased level of scrutiny from Ofsted in the form of monitoring visits over the next 2-3 years after which there will be a further full inspection.

Education

- 2.26 Passenger Transport for children and young people is an area of significant expenditure for the Council. It is a vital statutory service that provides transport to the most vulnerable children, young people and disabled adults in the city. The net budget to the Council in 2022/23 is **£1.3m**. Some services are delivered through in-house services and others are commissioned externally and a three year transport transformation project has been launched. The focus will be increasing options and the ability for disabled young people and adults to travel independently, whilst delivering cost efficiencies through a full procurement review, including market development of community-based transport provision through, for example, supporting community interest companies or social enterprise models. Transport costs are, however, subject to the volatility of fuel costs, and labour market pressures alongside demand growth in terms of the increase in school age children with complex health and multiple disabilities.
- 2.27 The Council's indicative Dedicated Schools Grant (DSG) allocation for 2023/24 as published in July 2022 amounted to **£336.5m**. The Autumn Statement announced an extra **£2bn** for the national core school budget in 2023/24 compared to the July indicative settlement; an increase of **£3.5bn** overall instead of **£1.5bn**. The DSG settlement for 2023/24 will be confirmed in mid-December and this will determine how the additional funding will be distributed.
- 2.28 DSG funding is received in 4 separate blocks for Schools, Early Years, Central School Services and High Needs. For 2023/24, the Council is proposing to move away from the standard budget setting approach of balancing block budgets to the DSG income received for each specific block. This is in response to a short-term surplus in the High Needs budget and pressures in Schools and Central School Services blocks. Approval for the changes proposed is being sought through the Schools Forum.
- 2.29 The growth in demand for support for children and young people with Special Education Needs and Disability (SEND) in Nottingham is mirrored nationally. Funding is primarily delivered through the High Level Needs (HLN) block of the Dedicated Schools Grant (DSG) – the grant the Council receives to primarily fund our schools and early years providers. As a result of increased demand, government funding has increased over the last three years. In 2022/23 NCC received **£52.1m** high needs funding and in 2023/24 the Council is forecast to receive **£55.8m**. This increase represents the maximum allowable increase under the government National Funding Formula.
- 2.30 However, the High Needs budget is subject to the greatest demand pressures. Our local policy is to promote and support inclusive practice by placing as many of our Special Educational Needs and Disability (SEND) pupils as possible in mainstream school settings. This does require us to ensure there is investment in terms of both fully accessible learning environments and specialist services and support for teaching and learning. Our policy does, however, reduce the demand on more expensive Special School or out of authority placements.

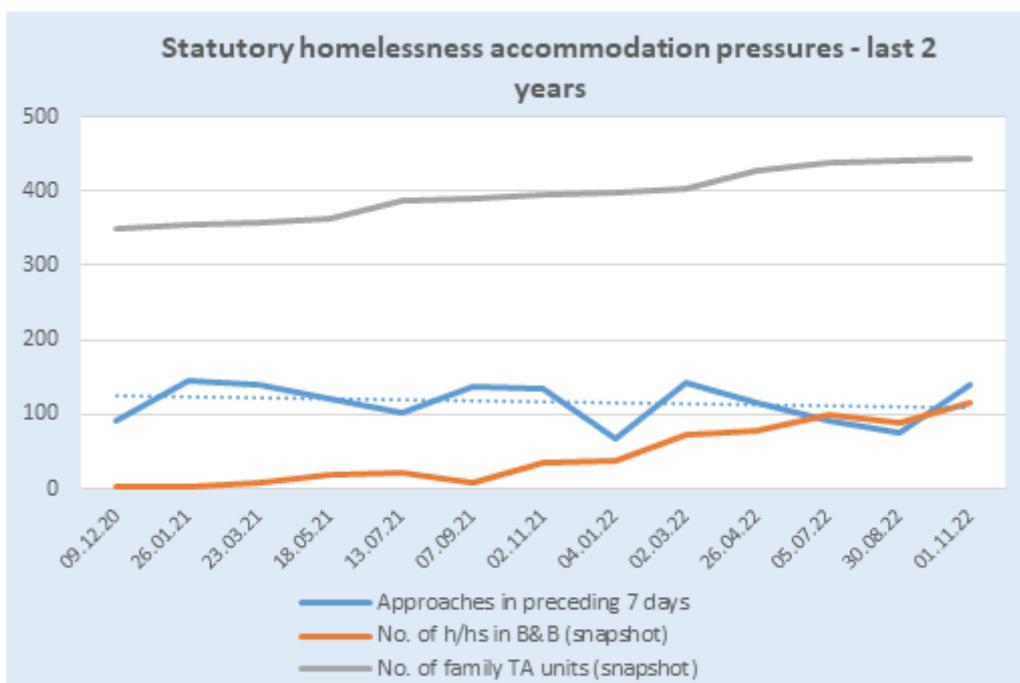
Homelessness

2.31 The introduction of the Homelessness Reduction Act (HR Act) in April 2018 significantly extended the responsibilities of local authorities to prevent and relieve homelessness, which has resulted in more people seeking support and for longer. Nottingham City Council has a statutory duty to provide Temporary Accommodation for qualifying households and the demand for Temporary Accommodation has increased at the same time as its availability decreasing (due to reduced turnover).

2.32 At the onset of the legislative change, the supply of Temporary Accommodation and staffing resource in Nottingham was insufficient to respond to the increased level of demand and secure preventative solutions and we consequently had to utilise Bed & Breakfast (B&B) provision to meet our statutory duties. However, whilst this provision is instantly accessible, it is also the most unsuitable and most expensive option.

2.33 Over the past 3 years, the Council has been delivering an approach to reduce use of B&B provision and minimise spend against the increased financial burden of fulfilling the statutory duty to provide Temporary Accommodation. However, whilst significant progress has been made, pressure is acute and regular and continued use of B&B currently remains necessary. Therefore, **£4.8m** of ongoing investment in 2023/24 is reflected within the financial plans, which aligns with our operational projection of the cost required to meet our statutory obligations.

2.34 The chart below shows the increase in temporary accommodation and hotel use at snapshot bimonthly points over the last 2 years alongside the number of approaches to Housing Aid in the preceding 7 days. The increasing use of temporary accommodation is reflective of extended length of stay in temporary accommodation in the context of an under staffed Housing Aid service and ongoing challenges to move people on to limited affordable housing options.



2.35 To reduce B&B use and spend, the Council has increased supply of alternative forms of family type Temporary Accommodation from under **90**

units at the beginning of 2018 to over **430** units currently. This has been achieved through purchasing, leasing from private property owners, utilising council-owned stock, leasing arrangements facilitated by Nottingham City Homes Registered Provider and commissioning Registered Providers.

2.36 However, in order to further minimise use and spend on B&B we need to reduce the number of people needing Temporary Accommodation. Therefore, we are investing council and ring-fenced grant funding and working with local partners to help to prevent people from losing their homes and supporting people to find alternative housing and avoid/reduce time in Temporary Accommodation. Activities includes:

- Restructuring and expanding the Housing Aid service to enable delivery of critical preventative casework;
- enhancing the Private Rented Sector assistance scheme to offer more support to landlords and tenants and optimise tenancy attainment and sustainment;
- aligning the focus of community sector advice and support agencies to help reduce the risk of homelessness;
- working across the public sector to collectively tackle the reasons for homelessness;
- data monitoring, analysis and detailed monthly projections to performance check, horizon scan and target interventions in problem areas.

2.37 Whilst the approach is robust, there are a number of factors that will impact on success which, at this time do predicate further spend in subsequent financial years. Crucially, demand is anticipated to increase further following the residual impact of the Covid pandemic, cost of living crisis and the ability to source move on accommodation is increasingly challenging due to limited availability of social housing and affordable private sector options.

Companies

2.38 The Council has a range of companies in its ownership and some owned jointly with others that have developed over time. Many of these companies have experienced trading difficulties mainly arising from the ongoing economic impact of Covid on business models. This has impacted on dividends and other loan repayments that are factored into the Council's budget.

2.39 The Together for Nottingham plan includes a theme dedicated to the Council's companies. This theme seeks to reach a clear determination on the future and direction of each Council company within a coherent and effectively managed commercial strategy. It will do this by addressing the following 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.

2.40 Aligned with the Council's strategic review of companies, Enviroenergy has already been brought back in house and Thomas Bow has been sold. Nottingham City Homes (NCH) and Nottingham Revenues and Benefits (NRB) are both planned to be brought back in house from 1 April 2023 and work is on-going to ensure a smooth transition.

3. Recovery and Improvement Plan, Improvement Board and Strategic Council Plan 2021-23

Public Interest report

3.1 In August 2021 our External Auditors issued a Public Interest Report (PIR) in relation to the Council's governance of Robin Hood Energy Ltd, a Council owned company. The Council accepted in full the recommendations of the PIR and is implementing an Action Plan to improve the governance of its companies. This includes the establishment of a Shareholder Unit and a Company Governance Committee which, together with the Audit Committee and Overview & Scrutiny Committee, will monitor the implementation of the recommendations arising from the PIR. The PIR can be found at <https://www.nottinghamcity.gov.uk/public-interest-report/>

Rapid Non-Statutory Review (NSR) into Nottingham City Council

3.2 Following assurance of the Auditor's PIR, the Secretary of State for Housing, Communities and Local Government appointed Max Caller CBE in late October 2020 to lead a rapid, non-statutory review at the Council. The purpose of the review was to provide assurance on the financial position of the Council, its governance arrangements and the commercial and investment issues identified by the Council's External Auditors, Grant Thornton, in the PIR published on 11 August 2020. This review involved providing the review team with a significant number of reports and interviews with senior colleagues and Councillors.

3.3 Arising from the NSR was the Secretary of State requirement to establish an independent Improvement and Assurance Board under the leadership of Sir Tony Redmond and the development of a Recovery and Improvement Plan to address the issues raised in the Plan and accepted by the Council.

Recovery and Improvement Programme

3.4 The Recovery and Improvement Plan and programme will incorporate the Transformation Programme and is a key driver for delivering a new affordable Council Plan and providing modern citizen-focussed services within an affordable cost envelope. This will also be a key area of work for the Improvement Board.

Improvement and Assurance Board

- 3.5 The Improvement and Assurance Board provides external advice, challenge and expertise to the Council in driving forward the development and delivery of our three-year Recovery Plan. The Board will be working with the Council over the next three years to help the Council to deliver at pace while providing assurance to Government. The Council will be able to draw on their expertise and experience over a range of issues. The board's membership is:
- Independent Chair – Sir Tony Redmond
 - Leader of the Council – Cllr David Mellen
 - Independent external member (finance lead) - Sean Nolan
 - Independent external member (companies lead) – Robin Hughes
- 3.6 On 23 June 2022, the Secretary of State for Levelling Up, Housing and Communities issued a letter to the Council stating that he “was minded to intervene in Nottingham City Council’ and outlining the terms of the proposed intervention package. The Council was invited to make representations prior to a final decision being made and these representations.
- 3.7 The Council duly made representations on 7 July 2022 thanking the Secretary of State for recognising in his letter the progress the council had made, and noting that through the hard work of colleagues, the buildings blocks for the Authority’s recovery are in place, whilst acknowledging significant challenges lay ahead.
- 3.8 On 2 September, a letter was received stating that The Secretary of State had revised the proposals published on 23 June 2022, partly in light of representations received that highlighted the close working between the Council and the Improvement and Assurance Board, the positive attitude of the Council towards the required improvement, and the capabilities of the Leader as displayed during the negotiation and agreement of the East Midlands Devolution Deal.

The letter stated that “the Secretary of State for Levelling Up, Housing and Communities has today made Directions, under section 15(5) of the Local Government Act 1999, in relation to your Authority. The Secretary of State has issued Directions to direct your Authority to follow the advice of the Nottingham City Council Improvement and Assurance Board, chaired by Sir Tony Redmond, as a necessary and expedient action to secure compliance with their best value duty. The Directions move the Improvement and Assurance Board to a statutory footing, so they are empowered to direct rather than guide the Council’s improvement activities.

The exercise of these Directions should enable the Improvement and Assurance Board to make sure that the transformational work currently being undertaken at the Authority is continued at pace and embedded fully. The Secretary of State is clear that he expects significant progress to be made over the next three months, including in relation to longer term budgeting. He will again consider exercising his powers under the Local Government Act 1999, including the appointment of Commissioners, in the new year.”

- 3.9 On 30th November the Council submitted its evidence in support of demonstrating the necessary progress and expects to hear the outcome of this early in the new calendar year.

4. Local Financial Context

Funding – Government Settlement

4.1 The source of Council funding has altered in recent years with a greater proportion of overall funding coming from Council Tax and less from Revenue Support Grant (RSG). **Chart 1** below shows the Council's actual MTFP figures used with the 'core spending power' methodology for 2013/14 to 2022/23. This shows a change in the mix of funding over the years including increasing percentage of overall funding from Council Tax and a reducing percentage from Revenue Support Grant. (RSG).

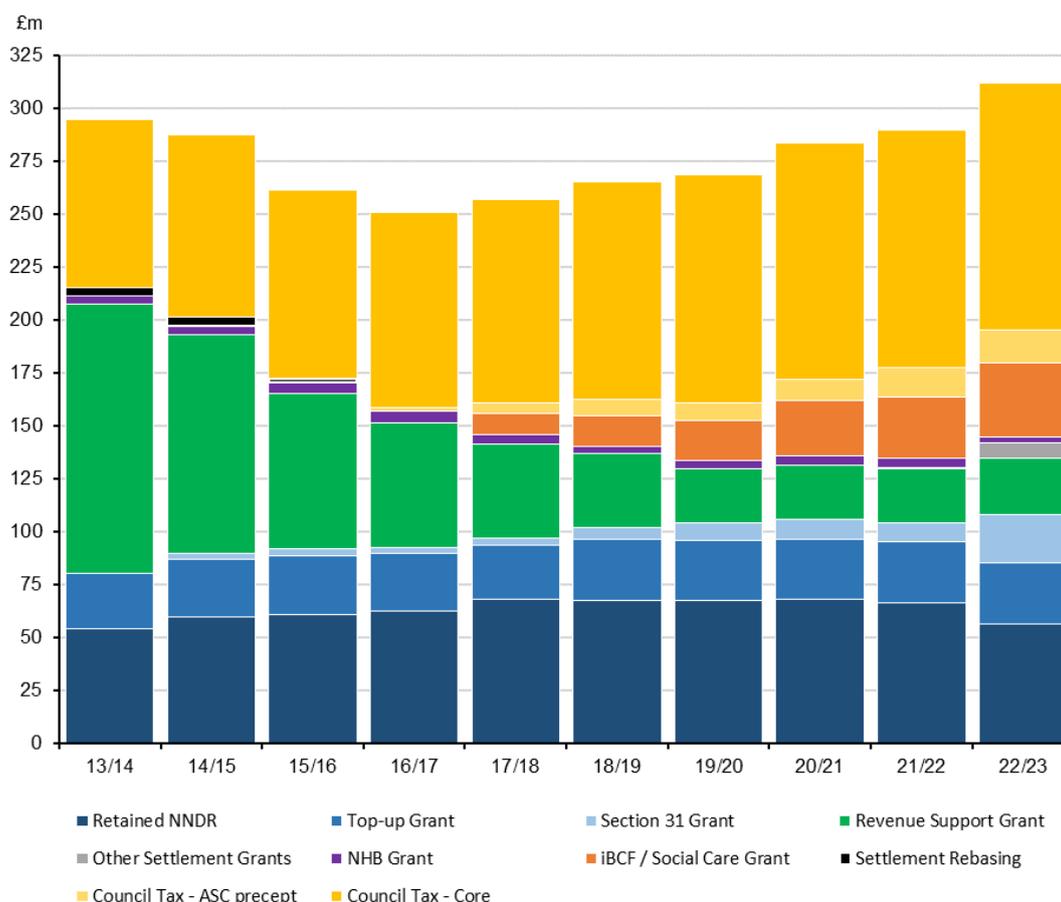


Table 2 below shows the absolute figures used for the chart above

MTFP item	13/14 £m	14/15 £m	15/16 £m	16/17 £m	17/18 £m	18/19 £m	19/20 £m	20/21 £m	21/22 £m	22/23 £m
Retained NNDR	54.0	59.9	61.0	62.3	68.0	67.5	67.5	67.9	66.5	56.6
Top-up Grant	26.3	26.8	27.3	27.5	25.6	28.6	28.1	28.6	28.6	28.6
Section 31 Grant	0.0	2.8	3.4	2.9	3.4	5.6	8.6	9.2	8.8	22.7
Revenue Support Grant	126.8	103.3	73.8	58.4	44.5	35.0	25.3	25.7	25.9	26.7
Other Settlement Grants									0.7	7.4
NHB Grant	3.9	4.5	5.0	5.6	4.3	3.8	4.1	4.4	4.0	2.5
iBCF / Social Care Grant					10.1	14.2	18.8	25.9	29.0	35.0
Settlement Rebasing	4.0	4.0	1.8							
Council Tax - ASC precept				1.8	4.7	8.0	8.2	10.1	14.0	15.6
Council Tax - Core	79.8	85.8	89.1	92.4	96.2	102.4	107.9	111.7	112.0	116.5
Core Spending Power	294.7	287.1	261.4	250.9	256.8	265.0	268.5	283.6	289.5	311.6

% Annual change	-2.6%	-9.0%	-4.0%	2.4%	3.2%	1.3%	5.6%	2.1%	7.6%
-----------------	-------	-------	-------	------	------	------	------	------	------

Council Tax

- 4.2 Since 2016/17 an element of the Council Tax has been to fund the increasing costs of Adult Social Care and the annual increase has sometimes been a combination of Basic Council Tax increases and Adult Social Care precept. **Table 3** below shows the history of the Council Tax rises and what has been attributable to Basic Council Tax and Adult Social Care increases and the value.

	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23
Percentage Increase										
Core	1.95%	1.95%	1.95%	1.95%	1.99%	2.99%	2.99%	1.99%	1.99%	1.99%
ASC				2.00%	3.00%	3.00%	0.00%	2.00%	3.00%	1.00%
Increase	1.95%	1.95%	1.95%	3.95%	4.99%	5.99%	2.99%	3.99%	4.99%	2.99%

Band D										
Base	£1,377.58	£1,404.42	£1,431.80	£1,459.67	£1,517.32	£1,593.03	£1,688.45	£1,738.93	£1,808.31	£1,898.55
Core	£26.84	£27.38	£27.87	£28.46	£30.20	£47.63	£50.48	£34.60	£35.99	£37.78
ASC				£29.19	£45.51	£47.79		£34.78	£54.25	£18.99
increase	£26.84	£27.38	£27.87	£57.65	£75.71	£95.42	£50.48	£69.38	£90.24	£56.77
Band D	£1,404.42	£1,431.80	£1,459.67	£1,517.32	£1,593.03	£1,688.45	£1,738.93	£1,808.31	£1,898.55	£1,955.32

Cumulative Savings

- 4.3 Over the period 2010/11 to 2022/23, the Council has been required to make over **£300m** of cumulative budget savings in order to balance its revenue budget.

2022/23 budget monitoring

- 4.4 The Qtr2 2022/23 budget monitoring position is being presented to December 2022 Executive Board and this shows an **£11.4m** adverse variance to budget, this is a reduction from the **£13.2m** adverse variance as at Qtr1 2022/23 and reported to September 2022 Executive Board.
- 4.5 Significant reasons for the projected **£11.4m** adverse budget variance include:
- The pay award for 2022/23 has now been agreed and is a flat rate of **£1,925** for all pay points, this represents a **£6.9m** adverse variance to the budgeted assumed pay increase of **2.0%**;
 - **£4.5m** adverse variance within Adult Services due to net external care purchasing budgets;
 - **£3.8m** adverse variance within Growth and City Development due to a significant rise in demand for homelessness services and a price increases in energy and utilities;
 - **£2.4m** adverse variance in Finance and Resources due largely to rebasing the budget including the removal of savings which have been assessed as undeliverable;
 - **£5.1m** favourable variance in Treasury Management arising from additional investment income as a result of a combination of the revised cash flow position due to the forecast underspend on the capital programme and the recent interest rate increases that will earn higher returns on the Council's investments

- 4.6 In response to this overspend position and, recognising the need to deliver a balanced position, the Council's S151 Officer has introduced a series of spending controls for the remainder of 2022/23. The impact of these spending controls will be reflected in the Quarter 3 forecast outturn report.
- 4.7 In developing the MTFP for 2023/24 to 2026/27, officers have considered whether the pressures underlying the adverse variances in 2022/23 are likely to continue and what mitigations can be put in place to manage these growth items in year and going forward.

5. **Developing the MTFP 2023/24-2026/27**

Fees and Charges Review

- 5.1 The Council is undertaking an organisation wide review of Fees and Charges to embed a consistent approach across the organisation. As part of the review a Fees and Charges policy is being developed that recognises a range of different factors in setting a price including legislative requirements and constraints, the cost of delivering a service, benchmarking with other organisations and achieving policy objectives. The review focuses on discretionary services to residents and businesses and has initially focused on the areas with the highest level of income from Fees and Charges. A composite Fees and Charges booklet, comprising prices across the Councils services, will be produced as part of the final budget proposals to Council.
- 5.2 The figures presented in this report are generally annual movements with a cumulative total MTFP column, this represents a different presentation to previous years' reports.

Financial Settlement

- 5.3 The provisional settlement for 2023/24 is likely to be issued in the week commencing 19 December 2022. To date there has also been no technical consultation on all the possible policy changes likely to be reflected in this settlement.
- 5.4 In the absence of detailed Government information on future funding to assist in medium financial planning, the draft MTFP has been constructed on the working assumption that the provisional settlement (i.e. retained business rates, top-up grant and revenue support grant) will essentially be a cash flat roll-over from 2022/23.
- 5.5 This assumption appears to be in line with the Autumn Statement published on 17 November 2022 in which there was no indication of further national funding for local government beyond that announce in the last Spending Review other than specific announcements of further provision for Adult Social Care (estimates of which have been included in the draft MTFP).
- 5.6 The draft MTFP assumes that other specific grants included within 'Core Spending Power' (i.e. Services Grant, Lower Tier Services Grant, New Homes Bonus, Section 31 grant compensation for business rates) will continue in line with previous Government policy.
- 5.7 The detailed implications of the December and then the final settlement confirmed in the New Year will be fully reflected in the MTFP reported to February Executive Board.

Council Tax & Adult Social Care Precept

5.8 Council Tax – The determination of the 2023/24 Tax Base report will be presented to Executive Board in January 2023 and the outcomes from consultation on proposed increases in Council Tax contained in this report, will be reflected in the updated MTFP to be presented to February 2023 Executive Board.

5.9 The draft MTFP is based on the following key assumptions:

- Assumed increase in core Council Tax of **2.99%** per annum for 2023/24 and 2024/25 (in line with changes announced in the Chancellors Autumn statement) and **1.99%** per annum for 2025/26 and 2026/27;
- Assumed Adult Social Care Precept of **2.00%** per annum for 2023/24 and 2024/25 and no new additional precept in 2025/26 and 2026/27
- Band D equivalent tax base after Council Tax Support Scheme, reliefs and exemptions of **68,341** for 2023/24;
- Underlying net tax base growth of **100** Band D equivalents per annum, resulting in a tax base of **68,633** band D equivalents by 2025/26;
- Collection rate of **97.5%**.

5.10 It should be noted that whilst the Council Tax is expressed in terms of Band D equivalent, with **62.5%** of the City's dwellings are in Band A and **17.5%** in Band B as detailed in **Table 1** the majority of Council Tax payers will incur a lower financial increase in their Council Tax.

5.11 The City Council Band D for 2023/24 assumed in this plan is **£2,052.89** (this excludes precepts for Police Commissioner and the Fire & Rescue Authority). Using DLUHC's established methodology this City Council element will equate to an average **£1,115.48** per chargeable dwelling.

5.12 The updated MTFP for February 2022 Executive Board will include any updates or changes to this assumption following the Provisional and Final Settlement announcements. **Table 4** below details the assumptions for total Council Tax income from 2023/24 to 2026/27

Table 4 : Assumed Council Tax increases					
	23/24	24/25	25/26	26/27	cumulative
	£m	£m	£m	£m	£m
Core Council Tax increase	(5.377)	(4.374)	(3.120)	(3.185)	(16.056)
ASC Precept increase	(2.857)	(2.836)	(0.030)	(0.030)	(5.754)
Total	(8.234)	(7.210)	(3.151)	(3.215)	(21.810)

Assumed Band D increases				
Core Increase	2.99%	2.99%	1.99%	1.99%
Adult Social Care Precept	2.00%	2.00%	0.00%	0.00%
Total increase	4.99%	4.99%	1.99%	1.99%

Band D				
Base	£1,955.32	£2,052.89	£2,155.33	£2,198.22
Core increase	£58.46	£61.38	£42.89	£43.74
ASC precept	£39.11	£41.06	£0.00	£0.00
Total increase	£97.57	£102.44	£42.89	£43.74
Band D Total	£2,052.89	£2,155.33	£2,198.22	£2,241.96

5.13 **Table 5** below details the assumed 2023/24 Council Tax and the annual increases by individual banding of dwellings.

Table 5 : Proposed 2023/24 Council Tax by Band									
Tax Band	Proportion of dwellings	City Council 22/23 £	Total				Per week (rounded)		
			2.99% Core Increase £	2.0% ASC Precept £	4.99% Total Increase £	Proposed City Council 23/24 £	Core Increase £	ASC Precept £	Total Increase £
A	62.5%	1,303.55	38.97	26.07	65.04	1,368.59	0.75	0.50	1.25
B	17.5%	1,520.80	45.47	30.42	75.89	1,596.69	0.87	0.58	1.46
C	11.6%	1,738.06	51.97	34.76	86.73	1,824.79	1.00	0.67	1.66
D	5.2%	1,955.32	58.46	39.11	97.57	2,052.89	1.12	0.75	1.87
E	1.8%	2,389.84	71.45	47.80	119.25	2,509.09	1.37	0.92	2.29
F	0.8%	2,824.35	84.45	56.49	140.94	2,965.29	1.62	1.08	2.70
G	0.5%	3,258.87	97.43	65.18	162.61	3,421.48	1.87	1.25	3.12
H	0.1%	3,910.64	116.92	78.22	195.14	4,105.78	2.24	1.50	3.74

New Homes Bonus

5.14 The NHB rewards local authorities for increasing the number of new, occupied and affordable homes. The Government consulted in February 2021 on the 'Future of the New Homes Bonus'. The details of any possible replacement for the scheme are currently unknown and will be included in the Provisional Finance Settlement around 19 December. However, the draft MTFP assumes its continuation into 2023/24 and 2024/25 at an assumed level of **£1.2m in each year**.

MTFP – Costs and Growth assumptions

5.15 The budget assumptions have been reviewed and updated to take account of changes in key areas including:

- Demand/Pressures
- Inflationary factors
- Funding changes
- Policy and Statutory Requirements

5.16 Growth items, including inflationary and service demand pressures continue to be a significant driver of cost and when set against 'flat cash' funding assumptions are the primary driver of the budget gap. Significant growth is resulting from high inflation upon utilities, fuel and pay and major service contracts. **Table 6** below summarises total growth assumed within the MTFP.

Table 6 : Growth Items by category					
Item	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Pay	17.646	7.018	5.978	5.003	35.645
Inflation	15.020	6.687	6.675	6.628	35.010
Pressures	23.045	6.418	4.377	12.513	46.353
Unachievable Savings	3.387	(1.160)			2.227
Investments	1.661				1.661
Grants / Contributions	(13.912)	(9.504)	(3.886)	(9.765)	(37.067)
Total	46.848	9.460	13.144	14.378	83.829

5.17 **Table 7** below shows by Directorate the growth which was previously factored into the forecast and the new growth identified during the development of this draft MTFP, with significant growth in:

- People's Directorate largely due to previous MTFP assumptions on demand and external fee rates paid to providers.
- Growth & City Development – pressures due to additional demand for homelessness services and utilities pressures through increased costs.
- Finance & Resources – due to investment in the establishment of corporate procurement and commissioning functions which are expected to enable the delivery of future cost savings across the organisation. The requirement to rebase a number of budgets including writing off of undeliverable savings.
- Corporate – includes pay inflation of **4%** pa for 2023/24 and 2024/25, **3%** for 2025/6 and **2%** for 2026/27. This is offset by latest MTFP assumptions on corporate specific grants e.g. Section 31 grants and those associated with the provisional settlement.

Table 7 : Growth Items by Directorate					
Lead Directorate	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Adults	5.253	4.979	5.388		15.620
Children's	3.712	4.085	4.390		12.187
Education / Schools	(0.213)				(0.213)
Public Health	1.659	1.787			3.446
People	10.411	10.851	9.778		31.041
Resident Services	(0.467)	(0.259)			(0.726)
Growth & City Development	(0.247)	0.419	0.239		0.411
Finance & Resources	(0.836)				(0.836)
Chief Executive					0.000
Corporate	17.583	0.618	0.994	0.806	20.000
Previously Agreed Profiles	26.443	11.629	11.011	0.806	49.889

Adults	3.281	(5.565)	(4.672)	0.059	(6.897)
Children's	1.774	(0.087)	0.412	2.556	4.656
Education / Schools	0.456				0.456
Public Health	(1.659)	(1.787)			(3.446)
People	3.851	(7.438)	(4.260)	2.615	(5.232)
Resident Services	4.170	0.525	(0.205)	(0.040)	4.450
Growth & City Development	11.854	5.385	3.598	10.195	31.032
Finance & Resources	10.457	(0.761)	0.074		9.770
Chief Executive					0.000
Corporate	(9.929)	0.120	2.925	0.803	(6.081)
New Growth Items	20.404	(2.170)	2.132	13.573	33.940

Adults	8.533	(0.585)	0.717	0.059	8.723
Children's	5.486	3.998	4.802	2.556	16.843
Education / Schools	0.243				0.243
Public Health	0.000	0.000			0.000
People	14.262	3.413	5.519	2.615	25.809
Resident Services	3.703	0.266	(0.205)	(0.040)	3.724
Growth & City Development	11.607	5.804	3.837	10.195	31.443
Finance & Resources	9.621	(0.761)	0.074		8.934
Chief Executive					0.000
Corporate	7.654	0.738	3.919	1.608	13.919
Total Growth Items	46.848	9.460	13.144	14.378	83.829

Inflation (including pay inflation)

5.18 Nottingham City Council is part of the national pay bargaining framework and is bound by national agreements. The pay award for 2022/23 has now been agreed and is a flat rate of **£1,925** for all pay points and has resulted in an adverse budget variance in year of **£6.9m**. The current approved MTFP assumed pay inflation of **2.0%** per annum, the updated MTFP assumes the following pay inflation and is a significant driver for the budget gap:

- 2023/24 **4.0%** - any variance to this assumption will need to be managed in year as part of ongoing budget monitoring
- 2024/25 **4.0%**
- 2025/26 **3.0%**
- 2026/27 **2.0%**

The figures above are predominately in line with other Core Cities pay inflation assumptions

5.19 **Table 8** detailed the pay and pension assumptions within the updated MTFP. The significant driver for growth are the changes in pay inflation assumptions described above. This has been partially offset by the removal of the NI Levy as announced in the Chancellor's Autumn Statement, this has been assumed as a benefit to the Council. The Council has received a draft triennial pension valuation report and based on this draft report overall there is a saving to the Council largely due to a reduction in the pension deficit charges.

Table 8 : Pay / Pensions					
Budget Item	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Previous pay related assumptions	4.000	4.000	4.000	4.000	16.000
Additional impact of confirmed 22/23 pay award & future assumptions	10.725	4.295	2.542	0.770	18.332
Removal of NI Levy	(1.257)				(1.257)
Revised pay scales	4.483	(0.137)	0.689	0.233	5.268
Organisational Design Review	0.810				0.810
Pension – Impact of Actuarial review	(1.115)	(1.140)	(1.253)		(3.508)
Total	17.646	7.018	5.978	5.003	35.645

5.20 For non-pay the budget assumes no general inflation. The specific impact of contractual inflation is reflected in the identified growth pressures as appropriate.

5.21 The Council, like many other local authority employers is currently experiencing a challenging recruitment and retention environment. December 2022 Executive Board is being presented with a report on a proposed revised pay structure that aims to improve the salary competitiveness of the Council. This draft MTFP assumes these changes are approved and implemented from 1 April 2023 and this has resulted in an additional growth item of **£4.5m** in 2023/24, with a cumulative cost of **£5.3m** over the MTFP period.

5.22 Growth estimates are based upon officer's professional judgement and the most up to date available information. However, given the high period of inflation, cost of living crisis and volatile nature of the energy markets these figures are subject to change. Any material changes will be reflected within the February 2022 Executive Board updated MTFP report as the Council works to close the current budget gap for 2023/24 and present a balanced Budget and MTFP.

Corporate / technical adjustments

5.23 **Table 9** summarises the corporate / technical adjustments assumed, these are due to:

- Base budget – removal of 2022/23 rebasing contingency and a 2024/25 Children's budget adjustment
- Treasury Management - continuing profile of previous corporate adjustments and 2022/23 savings;
- Tram PFI - net adjustments however this is offset by a Workplace Parking Levy in directorate budgets;
- Ice Centre – adjustment to the sinking fund assumption to include future inflation;
- Improvement & Assurance Board - budget re-profiled as per 12 September 2022 Full Council report;
- Shareholder Unit –full year budget included;
- Updated corporate items – largely due to the removal of companies assumption;
- Earmarked Reserve for Collection Fund - remove previous 22/23 use to off-set large COVID related deficit & fully smooth estimated 23/24 deficit in MTFP;
- IT Development Fund – reverse previous time-limited reduction to reserve contribution originally agreed in 2021/22.

Budget Item	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Base budget	(1.254)	(2.106)			(3.360)
Treasury Management	(1.300)	1.059	(0.600)		(0.841)
Tram PFI	0.658	1.223	0.092		1.973
Ice Centre	0.223	0.012	0.012	0.012	0.259
Improvement & Assurance Board		(0.175)	(0.125)		(0.300)
Shareholder Unit	0.229				0.229
Updated corporate item	(1.871)				(1.871)
Earmarked Reserve for Collection Fund	13.778	1.262			15.041
IT Development Fund Reserve	1.500				1.500
Total	11.964	1.275	(0.621)	0.012	12.631

Previously agreed savings

5.24 **Table 10** summarises the continuing impact upon the 2023/24 budget and MTFP of saving decisions made in previous budget rounds that are already factored into the MTFP model.

Lead Directorate	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Adults	(0.734)	(1.604)	(0.890)	0.000	(3.227)
Children's Education / Schools Public Health	(3.733) (0.021)	(1.669)	(1.999)	(0.809)	(8.210) (0.021) 0.000
People	(4.488)	(3.273)	(2.889)	(0.809)	(11.458)
Resident Services	(2.637)	(1.592)	(0.683)		(4.912)
Growth & City Development	1.313	(0.050)	(0.050)		1.213
Finance & Resources	(2.186)	(2.061)	(0.314)		(4.561)
Chief Executive Corporate					0.000 0.000
Total	(7.997)	(6.976)	(3.936)	(0.809)	(19.717)

5.25 **Table 11** sets out the revised forecast position once all the revised funding and costs/growth items have been taken into account. From the table it can be seen that the revised gap for 2023/24 of **£32.2m** rises to **£44.0m** over the period of the MTFP.

Item	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Settlement – assumed flat					0.000
Council Tax	(8.234)	(7.210)	(3.151)	(3.215)	(21.810)
Collection Fund deficit	(14.991)	(1.262)			(16.254)
Projected funding changes	(23.226)	(8.472)	(3.151)	(3.215)	(38.064)
Corporate	11.964	1.275	(0.621)	0.012	12.631
Growth	46.848	9.460	13.144	14.378	83.829
Previous Savings	(7.997)	(6.976)	(3.936)	(0.809)	(19.717)
New & previously agreed profiles	50.815	3.759	8.587	13.582	76.743
Contribution to Financial Resilience Reserve	4.609	0.179	0.216	0.314	5.318
Risk	4.609	0.179	0.216	0.314	5.318
Projected net budget changes	55.424	3.938	8.803	13.896	82.061
Budget gap to address before new savings	32.198	(4.534)	5.653	10.680	43.997

5.26 **Table 11** includes a base budget contribution to the Financial Resilience Reserve of **£4.6m** in 2023/24 rising to **£5.3m** over the 4-year period. Throughout this MTFP process Corporate Directorates have been identifying risks and assigned a probability to these risks materialising. The risk assessed value has been included within the MTFP gap calculations. If these risks materialise over the MTFP period then these will be funded from the amount set aside in the Financial Resilience Reserve. These risks will be monitored and any variation in assumptions will need to be managed in year and included within future MTFPs.

5.27 **Table 12** below shows the above risk impact on the MTFP by Directorate.

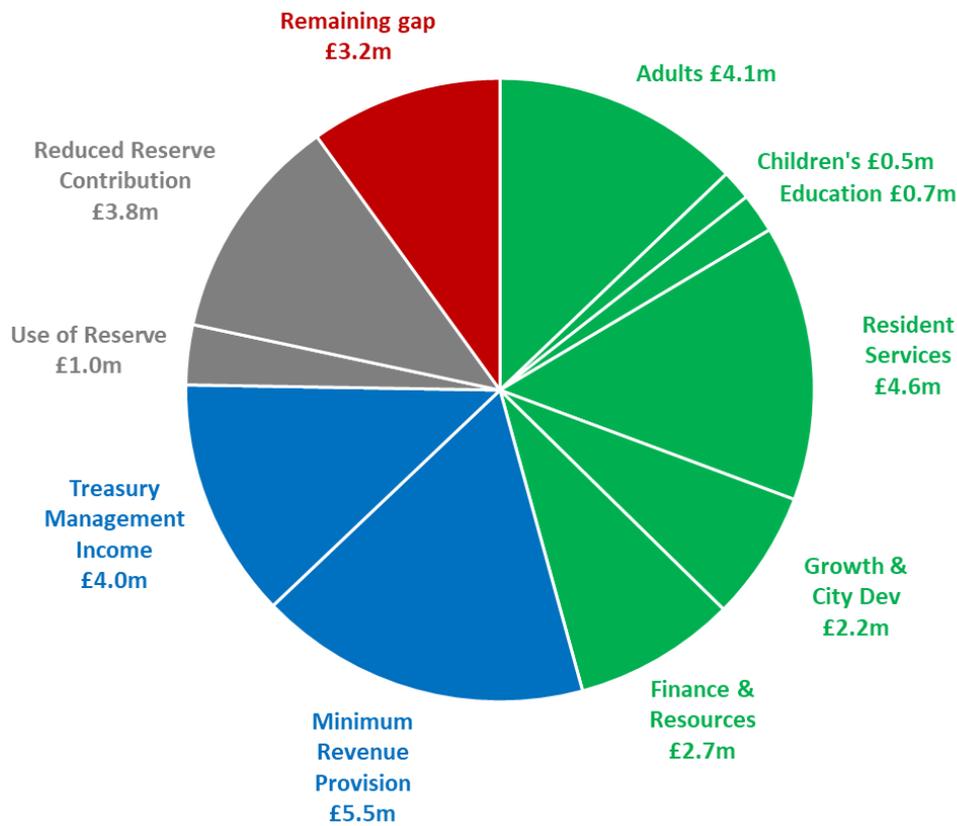
Table 12 : Assessed Risk Impact on MTFP					
Lead Directorate	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Adults					0.000
Children's	1.018				1.018
Education	0.307				0.307
Public Health					0.000
People	1.325				1.325
Resident Services	0.496	(0.120)			0.376
Growth & City Development	2.788	0.299	0.216	0.314	3.617
Finance & Resources					0.000
Chief Executive					0.000
Corporate					0.000
Total	4.609	0.179	0.216	0.314	5.318

6. Savings proposals

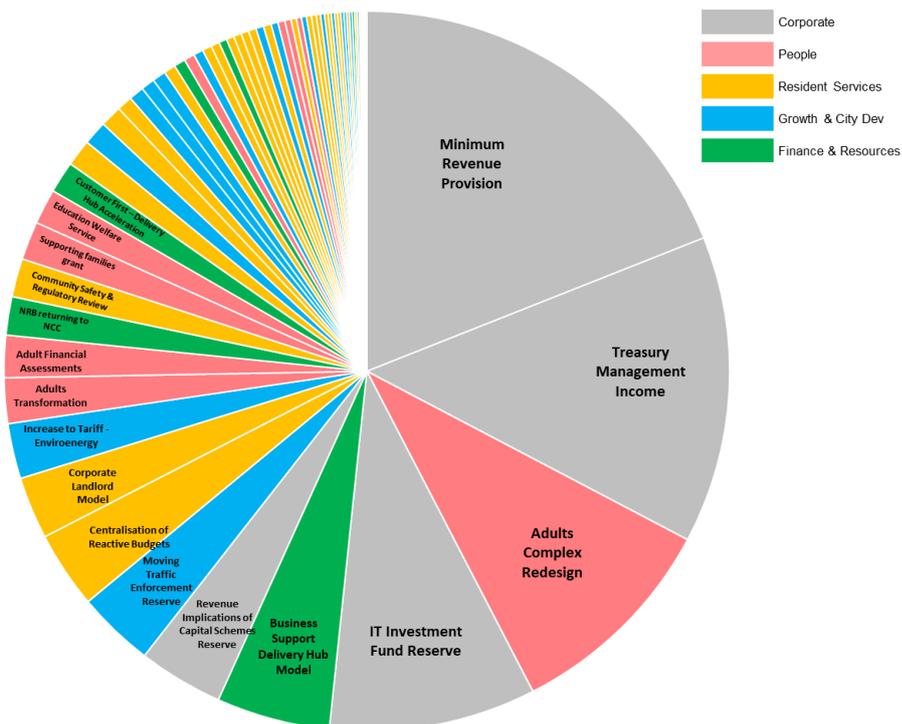
6.1 In order to close the current **£32.2m** budget gap **£29.0m** of proposed new 2023/24 Directorate proposals are included within the draft MTFP rising to **£52.8m** in 2026/27, of which **£10.5m** in 2023/24 require public consultation. **Table 13** below summarises the total value of savings by Directorate. **Appendix 1** and **2** details the financial value of the individual savings and associated FTE impact.

Table 13 : Total New Budget Proposals					
Lead Directorate	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Adults	(4.122)	(5.150)	(4.674)	(4.364)	(18.310)
Children's	(0.500)	(1.143)		0.500	(1.143)
Education / Schools	(0.661)	(0.100)			(0.761)
Public Health					0.000
People	(5.283)	(6.392)	(4.674)	(3.864)	(20.213)
Resident Services	(4.604)	(0.256)	(0.340)	(0.050)	(5.249)
Growth & City Development	(3.158)	(4.569)	(3.216)	(7.949)	(18.892)
Finance & Resources	(2.691)	0.615	(0.250)		(2.326)
Chief Executive					0.000
Corporate	(13.275)	7.175			(6.100)
Total	(29.011)	(3.427)	(8.480)	(11.863)	(52.781)

6.2 The pie chart below illustrates the 2023/24 new proposals by Directorate as shown in **Table 13** above with more detail on the Corporate savings.



6.3 There are many new savings proposals varying in size with the largest proposed saving for 2023/24 being from Minimum Revenue Provision (repayment of principal on borrowing, of which **£4.5m** is one-off) and Treasury Income earned on investments, the number and relative size of each proposal is detailed in pie chart below.



6.4 In light of continuing financial pressures faced by the Council, proposals to make further reductions in its operating costs and its workforce are contained within this report. It is likely that the proposed savings options and the impact of the transformation programme implementation will result in some redundancies.

6.5 **Table 14** below summarises by value the proposals which require Public Consultation with details of these individual proposals in **Appendix 1**

Lead Directorate	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Adults	(4.122)	(5.150)	(4.674)	(4.364)	(18.310)
Children's	0.000	(1.143)			(1.143)
Education / Schools	(0.661)	(0.100)			(0.761)
Public Health					0.000
People	(4.783)	(6.392)	(4.674)	(4.364)	(20.213)
Resident Services	(2.502)	(0.183)	(0.320)	(0.020)	(3.024)
Growth & City Development	(1.072)	(5.569)	(3.266)	(7.949)	(17.856)
Finance & Resources	(1.912)	0.835			(1.077)
Chief Executive					0.000
Corporate					0.000
Total	(10.269)	(11.309)	(8.260)	(12.333)	(42.171)

6.6 The remaining **£18.7m** of new savings in 2023/24 do not require Public Consultation as they do not have an impact upon service users or put staff at risk. They are included within **Appendix 2** for completeness and transparency and are summarised in **Table 15** below.

Lead Directorate	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Adults					0.000
Children's	(0.500)			0.500	0.000
Education / Schools					0.000
Public Health					0.000
People	(0.500)			0.500	0.000
Resident Services	(2.102)	(0.073)	(0.020)	(0.030)	(2.225)
Growth & City Development	(2.086)	1.000	0.050		(1.036)
Finance & Resources	(0.779)	(0.220)	(0.250)		(1.249)
Chief Executive					0.000
Corporate	(13.275)	7.175			(6.100)
Total	(18.742)	7.882	(0.220)	0.470	(10.610)

6.7 Whilst the savings outlined above present an MTFP in surplus by **£8.8m** over the 4-year period, there remains a gap of **£3.2m** for 2023/24. Work is ongoing across the Council to identify other proposals to eliminate this gap and the report to be presented to Executive Board in February 2023 will present a balanced position in 2023/24 and a robust forecast over the term of the MTFP including firming up future year forecast assumptions. **Table 16** below detail the budget gap / surplus over the 4-year period.

Budget Item	23/24 £m	24/25 £m	25/26 £m	26/27 £m	cumulative £m
Budget gap to address	32.198	(4.534)	5.653	10.680	43.997
Consultation proposals	(10.269)	(11.309)	(8.260)	(12.333)	(42.171)
Non-consultation proposals	(18.742)	7.882	(0.220)	0.470	(10.610)
Gap after new proposals	3.187	(7.961)	(2.828)	(1.183)	(8.784)

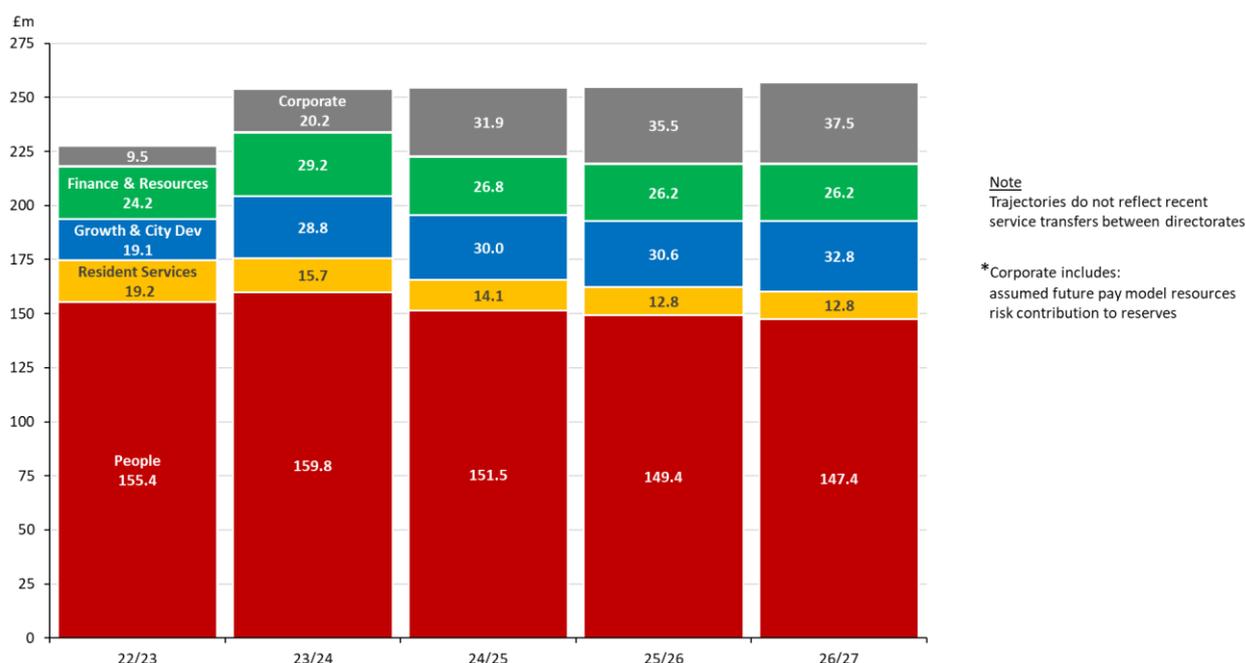
6.8 **Table 17** below summarises the projected funding of the projected net budget over the MTFP period and the cumulative budget gap / surplus.

Table 17 : Refreshed MTFP				
Item	23/24 £m	24/25 £m	25/26 £m	26/27 £m
Settlement	(111.841)	(111.841)	(111.841)	(111.841)
Council Tax	(140.297)	(147.506)	(150.657)	(153.872)
Collection Fund deficit	1.262			
Projected Funding	(250.875)	(259.347)	(262.498)	(265.713)

Net budget brought forward	227.649	254.062	254.574	254.897
Corporate	11.964	1.275	(0.621)	0.012
Growth	46.848	9.460	13.144	14.378
Previous Savings	(7.997)	(6.976)	(3.936)	(0.809)
Risk	4.609	0.179	0.216	0.314
New proposals	(29.011)	(3.427)	(8.480)	(11.863)
Projected Net Budget	254.062	254.574	254.897	256.929

Cumulative Gap	3.187	(4.773)	(7.601)	(8.784)
-----------------------	--------------	----------------	----------------	----------------

6.9 The bar chart below illustrates the projected Directorate budgets based upon the old management structure to 31 October 2022 and assumes all the savings and growth items presented in this report.



7. Transformation Programme

7.1 The portfolio of transformation projects has been in place since early 2022, is constantly evolving and will grow further over time. All transformation proposals are assessed against a clear set of design principles that describe the way the council will operate in the future, to ensure they both produce required savings and continue to modernise the operation of the council. These principles align to the Council Strategic Plan and the Together for Nottingham Plan. They are the

guidelines for reviewing and re-designing council services and thus provide a clear set of criteria for decisions on transformation investment and resourcing:

- a. We design our services with residents and communities, rather than holding the power ourselves;
- b. We act in ways which build on individual, family and community strengths rather than starting with what needs a council service can fill;
- c. We take a whole family approach, seeing and understanding people in the round rather than through a particular service's view;
- d. We join up our interactions in order to streamline them and provide more holistic support;
- e. We reduce the variation in how we do things, rationalising our systems and standardising, simplifying, digitising and automating our processes wherever appropriate;
- f. We promote diversity in our experience, ethnicity, sexuality, health, disability, and ways we think at every level;
- g. We deploy our staff more flexibly, to enable us to focus on our priorities and move at pace;
- h. We will be smaller and more streamlined.

7.2 A first wave of five large scale transformation programmes were initiated in 2022 and each is on track to deliver total savings in line with its business case by 2025/26:

- **£3.5m** from the Adults programme;
- **£17.0m** from the Children's programme;
- **£7.0m** from the Customer First programme;
- **£3.8m** from the business support programme and
- **£2.5m** from the procurement.

7.3 Having built a platform from which to transform the overall operations of the council in the first wave of programmes, the council has increased its transformational ambition. The development of the current MTFP has merged operational savings plans with more largescale transformational opportunities, which has resulted in a number of programmes captured in the budget consultation that, if approved, will be added to the transformation portfolio with fully developed business cases and implementation plans. These are:

- Acceleration of the Customer First and business support programmes
- Corporate centre services review
- Implementation of a new strategic commissioning model
- Children's Early Help and family hubs (including youth service) operating model
- Adult Social Care independence and prevention approach, including:
 - Community interventions
 - Developing strengths-based practice
 - Assistive technology
 - Occupational therapy and adaptations
 - Mental health reablement

- Consolidation of Council office accommodation
- Leisure and libraries operating model review
- Nottingham Live services review
- Community Protection review and development of neighbourhood hubs
- Homelessness services operating model

7.4 Full business cases and implementation plans will be developed for each of these programmes. Outline cases developed for the MTFP show a minimum **£44m** saving across these programmes.

8. Finalising the 2023/24 Budget

8.1 There are a number of key factors that will influence and shape the next phase of the budget process. The Provisional Local Government Settlement expected in December 2022 will provide greater certainty around funding levels and based on the Chancellors Autumn Statement there is likely to be little additional funding. At this stage it is not possible to determine the financial impact on the Council's budget.

8.2 Further work will be undertaken to check and challenge budget assumptions for 2023/24 and over the term of the MTFP in light of new information and the volatile environment in which the Council is operating. Notwithstanding any Government funding announcement, the Council will continue to pursue options for more cost efficiencies and income opportunities, through focussed work on the transformation programme and opportunities to redesign services to deliver improved outcomes within available resources.

8.3 The February 2023 Executive Board will provide an update on these continuing areas of work and will ensure at least a balanced MTFP across all 4-years.

9. Reserves

9.1 July 2022 Executive Board approved the Council's reserves policy, this policy will be reviewed annually and presented to Executive Board for approval. The Council will use reserves in a limited way in accordance with its reserves policy – primarily to pump-prime investment which results in lower long term revenue costs or to meet one off and short term (1 year) 'spikes' in cost during this volatile period. It does not use reserves to support recurrent spending pressures or to replace undelivered savings.

General Fund Reserves

9.2 The General Fund Reserve is an un-earmarked fund balance to cover unanticipated / unbudgeted necessary costs and is informed by the possible financial risks in a single budget year. As advised by the s151 Officer, the Council is aiming at a balance on the General Fund Reserve of **7.5%** of net budget given current and projected volatilities. That would equate to **£19.1m** based on the projected 2023/24 net budget.

9.3 The General Fund Reserve balance as at 31 March 2022 was **£12.6m**. As part of a strategic approach to strengthen the financial resilience and sustainability of the Council, the approved MTFP includes a planned contribution to the General Fund reserve of **£1.0m** per annum. This assumption is maintained in this draft MTFP.

9.4 The forecast balance at 31 March 2024 will be **£14.6m** which is **5.7%** of the projected net budget.

Earmarked Reserves

9.5 Earmarked reserves, by their very nature, are set aside for specific purposes. It should be noted that the Council's earmarked reserves include a number of reserves with specific grant conditions attached to them which ensures that they can only be used for specific expenditure. The Council also holds reserves on behalf of other entities such as schools which are not available for the Council's general use.

9.6 In line with the approved Reserves policy and in response to the projected Qtr2 2022/23 outturn forecast overspend of **£11.4m** the S151 is undertaking a detailed review of earmarked reserves. The outcomes of this review will be included within the Quarter 3 forecast outturn reported to February 2023 Executive Board.

9.7 This review is to ensure that earmarked reserves are being proactively managed and utilised as intended. Further to identify the opportunities to de-commit funding from those reserves and transfer to the Financial Resilience Reserve (FRR) so that there are sufficient identified funds to cover the current projected 2022/23 overspend of **£11.4m**. Insufficient funds to cover any overspend would result in a call upon the General Fund Reserve. Exhaustion of the FRR would require further savings to be identified in future years to replenish this Reserve to ensure the Council maintains its financial resilience. The balance on the FRR as at 30 September 2022 was **£18.5m** however the current in year overspend of **£11.4m** and known calls upon the FRR mean that unless the in-year over spend can be mitigated then this reserve will insufficient or exhausted by 31 March 2023. Therefore it is critical that there is further restraint upon expenditure within 2022/23 to manage the financial outturn within the approved budget.

9.8 The Council held balances of **£183.4m** in earmarked reserves at 31 March 2022 which includes schools reserve balances of **£23.7m**. Earmarked reserves are set aside to provide for specific future expenditure plans. A summary of the earmarked reserves position is set out in **Table 18** below, further details on the individual reserves within each category are detailed within the Qtr2 2022/23 budget monitoring report which is being presented to December 2022 Executive Board.

Title of Reserve	Balance 30 Sept 2022 £m
Capital	(7.932)
Schools	(23.674)
Private Finance Initiatives	(48.658)
Asset Maintenance	(4.112)
Contingency & Risk (excluding Financial Resilience Reserve)	(19.135)
Financial Resilience Reserve	(18.464)
Information Technology	(10.023)
Local Economy	(3.437)
Services	(13.302)
Transformation	(11.491)
Treasury Management	(15.418)
Workforce	(7.775)
Total Earmarked Reserves	(183.421)

10. **Capital Programme**

10.1 The Capital Programme is being developed in line with the Council's approved capital strategy. As part of Nottingham City Council's Improvement Plan the Council is committed to reducing the current high levels of debt to a more sustainable level of debt in the medium to long term. This included a strict Voluntary Debt Reduction Policy that restricted the Council's ability to borrow over the medium term in order to reduce its absolute level of debt and reducing its associated cost of debt.

10.2 The General Fund Capital Programme at Qtr2 2022/23 is forecasting an outturn of **£96.3m** compared to an approved budget of **£163.8m** this represents an underspend / slippage of **£67.5m (41%)**. While the HRA Capital Programme has a forecast outturn of **£57.5m** against a budget of **£71.0m** an underspend / slippage of **£13.5m (19%)**. Monitoring and due diligence within the Capital Programmes is ongoing to refine the forecast and budgets. Further details are contained with the Qtr2 2022/23 forecast outturn report being presented to December 2022 Executive Board report.

11. **Other options considered in making recommendations**

11.1 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.

12. **Consideration of Risk**

12.1 Risk comments are contained within the body of the report.

13. **Finance colleague comments (including implications and value for money/VAT)**

13.1 Finance comments are contained throughout the body of the report as this is a finance report.

13.2 A detailed and comprehensive assessment has been undertaken in order to inform the Chief Finance Officer's assessment of the deliverability and financial implications of the budget proposals and the key assumptions upon which the budget forecasts are based including an assessment of the required levels of reserves and contingencies. This work will continue over the coming months including consideration of the Capital Strategy, Capital Programme, Treasury Strategy and Transformation Programme. This will culminate in the Chief Finance Officer's assessment of the robustness of the budget and adequacy of reserves statement contained within the budget report presented to Executive Board in February.

14. **Legal colleague comments**

14.1 The recommendations in the report raise no significant legal issues and are supported. The Council is required to set a balanced budget for 2023/24 by 11

March 2023 and this report is one of the first formal steps to achieving that requirement. The report also approves the requirement to formally consult the public on elements of the budget proposals in accordance with the statutory requirements. Any responses received as a result of the consultation will need to be fully and properly considered.

- 14.2 The Council has a duty under the Equality Act 2010 to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between protected groups (such as disabled people or ethnic minority groups) when considering proposed new or changing policies, services or functions, including decisions on funding for services, and decisions on implementation of policies developed outside the Council.

Malcolm R. Townroe – Director of Legal and Governance – 12 December 2022

15. **Other relevant comments**

7.1 Not applicable.

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

16.1 Not applicable

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

17.1 Not applicable

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

18.1 Not applicable

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

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

No



An EIA is not required because any decisions relating to the draft budget proposals will be set out in further reports to Executive Board in February 2023 and to the full Council in March 2023. Equality Impact Assessments are being carried out, where appropriate, for all relevant budget proposals and a summary will be provided with these reports.

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

20.1 Not applicable.

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

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

No applicable

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

22.1 None

23. Published documents referred to in this report

23.1 Budget 2022/23 – 7 March 2022 Full Council

<https://committee.nottinghamcity.gov.uk/documents/s131723/Budget%20202223.pdf>

23.2 Pre-audit Corporate Financial Outturn 2021/22 – 19 July 2022 Executive Board

<https://committee.nottinghamcity.gov.uk/documents/s136213/Pre-Audit%20Corporate%20Financial%20Outturn%202021-22.pdf>

23.3 Financial Reserves Policy – 19 July 2022 Executive Board

<https://committee.nottinghamcity.gov.uk/documents/s136198/Financial%20Reserves%20Policy.pdf>

23.4 Review of Revenue and Capital Budgets as at 30 June 2022 – 20 September 2022 Executive Board

<https://committee.nottinghamcity.gov.uk/documents/s137838/Review%20of%20Revenue%20and%20Capital%20Budgets%20as%20at%2030%20June%202022%20Quarter%201.pdf>

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE	
ADULTS															
1	Adult Social Care	Specialist Services	Adults prevention & independence - Community Interventions	Working with and empowering community and voluntary sector organisations to support and grow a diverse range of community activity and interventions that promote wellbeing and independence. Increase capacity for Local Area Coordination											
2	Adult Social Care	Specialist Services	Adults prevention & independence - Developing Strength Based Practice/Workforce	Develop our whole workforce to have conversations with care service users at the earliest opportunity, to support more people in maintaining independence for longer, preventing and delaying the need for longer term care. Ensure assessment and planning documentation and systems, policies and approaches are strengths based and enable a focus on outcomes	(2.275)	(3.984)	(3.677)	(3.212)	(13.149)					0.0	✓
3	Adult Social Care	Specialist Services	Adults prevention & independence - Assistive Technology	Provision of increased, effective and creative use of assistive technology to maximise independence of citizens											
4	Adult Social Care	Specialist Services	Adults prevention & independence - Occupational Therapy & Adaptations	Improve access to occupational therapy, equipment and adaptations to support more people to maintain independence for longer	(0.185)	(0.017)			(0.201)					0.0	✓
5	Adult Social Care	Specialist Services	Adults prevention & independence - Mental Health Reablement	Provide short term mental health reablement interventions to support recovery, reduce the risk of hospital admission, improve independence and reduce or delay the need for longer term social care services	(0.350)	(0.391)	(0.168)	(0.168)	(1.077)					0.0	✓
6	Adult Social Care	Specialist Services	Adults Transformation – Supported Living	Supported living – under 65's. Increase to previously agreed transformation saving. Support more people to live more independently in supported living accommodation as an alternative to residential or nursing care.	(0.545)	(0.635)	(0.732)	(0.900)	(2.812)					0.0	✓
7	Adult Social Care	Specialist Services	Adults Transformation – Older Adults	Older adults - supporting people to live more independently in their own homes as an alternative to residential and nursing care. This is an increase to previously agreed transformation saving.	(0.047)	(0.122)	(0.098)	(0.084)	(0.351)					0.0	✓
8	Adult Social Care	Adult Financial Assessments (Nottingham Revenues and Benefits / Adult Social Care)	Aligning social care charges with receipt of income	Where financial assessment for Adult Social Care leads to referral to the Department of Work and Pensions (DWP) to maximise personal income, include the total chargeable income from the date the income is received. This proposal is to bring the process in to line with the new Nottingham City Council Charging policy	(0.080)				(0.080)					0.0	✓
9	Adult Social Care	Adult Financial Assessments (Nottingham Revenues and Benefits / Adult Social Care)	Automatic annual review of Adult Financial Assessments	The proposal is to provide an automatic annual review of Total Chargeable Income which is taken into consideration to determine the amount people contribute to the cost of their Adult Social Care. This will adjust charges in line with income and expenditure each year.	(0.550)				(0.550)					0.0	✓
10	Adult Social Care	Adults	Charging self-funders for support planning & brokerage & review	Introduce a charge of £300 per assessment and £300 per review for people who self-fund their care, for help with support planning and brokerage, and review	(0.090)				(0.090)					0.0	✓
ADULTS TOTAL					(4.122)	(5.150)	(4.674)	(4.364)	(18.310)	0.0	0.0	0.0	0.0	0.0	
CHILDREN'S															
11	Children's Integrated Services	Children's Social Care Directorate	Internal Fostering development	Invest in improved support and allowances to our Foster Carers to prevent placement breakdown and to expand the number of fostering placements available	0.000	(1.143)			(1.143)		+7.0			+7.0	✓
CHILDREN'S TOTAL					0.000	(1.143)	0.000	0.000	(1.143)	+7.0	0.0	0.0	0.0	7.0	

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE	
EDUCATION															
12	Education	Special Educational Needs and Disabilities Team	Passenger Transport	Independent Travel training for children with Special Educational Needs who are able to do so and consideration of make/buy in terms of transport and route planning	(0.065)	(0.100)			(0.165)					0.0	✓
13	Education	Education Welfare	Funding of Education Welfare Service	Work with Schools Forum to transfer £0.458m from Dedicated Schools Grant (DSG) Schools Block to fund statutory duties relation to the Education Welfare Service, School Attendance and Employment Licensing	(0.458)				(0.458)					0.0	✓
14	Education	Outdoor Learning	Remove subsidy from Curriculum Service Projects	This proposal relates to Adventure Team, School Swimming and Why Nott Transport. These commercial projects have previously not earned enough income to be financially self-sustaining. Each service has been reviewed and with a more commercial focus and public health funding, the subsidy can be removed	(0.138)				(0.138)	-1.0				-1.0	✓
EDUCATION TOTAL					(0.661)	(0.100)	0.000	0.000	(0.761)	-1.0	0.0	0.0	0.0	-1.0	
PEOPLE TOTAL					(4.783)	(6.392)	(4.674)	(4.364)	(20.213)	+6.0	0.0	0.0	0.0	+6.0	
RESIDENT SERVICES															
15	All	All	Reduction in staff resources	Develop a revised Business Support Model across Resident Services, providing a consistent and centrally supported Business, Performance and Improvement service to Community Protection, Neighbourhood Services and Sports & Culture	(0.065)				(0.065)	-1.0				-1.0	✓
16	Community Protection	Regulation	Community Safety and Regulatory Review	Review our commissioned Community Safety activity with external providers	(0.500)				(0.500)					0.0	✓
17	Community Protection	Operations PR&C	Staffing reduction in Community Protection	Delete vacant Staff Officer post & reallocate duties	(0.047)				(0.047)	-1.0				-1.0	✓
18	Community Protection	Operations PR&C	Reduce Service Level in Tasking & Intelligence	Reduce Tasking & Intelligence officers	(0.041)	(0.041)			(0.082)	-2.0				-2.0	✓
19	Community Protection	Operations PR&C	Blue Badge enforcement	Efficiency in the enforcement of blue badge scheme	(0.018)	(0.018)			(0.036)					0.0	✓
20	Community Protection	Community Protection	Voluntary & Community Sector Grants	15% reduction to Strategic Voluntary and Community Sector Grants	(0.152)				(0.152)					0.0	✓
21	Community Protection	Community Protection	Reduction in budgets to Ward Councillors	Reduction in level of ward budgets by 15%	(0.021)				(0.021)					0.0	✓
22	Community Protection	Communities	Community Centres	Reduce the subsidy of operating Community Centres over 2 years	(0.061)	(0.061)			(0.121)					0.0	✓
23	Community Protection	Community Engagement	Sycamore Centre	Cease specific Sycamore Centre grant	(0.056)				(0.056)					0.0	✓
24	Neighbourhood Services	Workplace Parking	Provision of an advisory service to other local authorities on the Workplace Parking Levy (WPL)	Introduce a fee for providing WPL advice to other councils	(0.120)	0.120			0.000					0.0	✓
25	Neighbourhood Services	Parking Services	Car Parking (On Street and Off Street)	Review of on and off street parking tariffs to aid the free movement of traffic	(0.349)				(0.349)					0.0	✓
26	Neighbourhood Services	Nottingham Catering	Annual Commercial Café Pricing Review	Pricing review for commercial cafés in line with food costs increases and CPI rates	(0.020)	(0.020)	(0.020)	(0.020)	(0.080)					0.0	✓
27	Neighbourhood Services	Cemeteries & Crematoria	Bereavement Services	Review of fees and charges for cremations and burials	(0.112)				(0.112)					0.0	✓

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available	
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE		
28	Neighbourhood Services	Neighbourhood Services	Corporate Landlord Model - Internal Cleaning Standards Review	Changes to internal cleaning regimes	(0.400)				(0.400)		-15.3			-15.3	✓	
29	Neighbourhood Services	Neighbourhood Services	Woodthorpe Pitch & Putt	Review of Woodthorpe Pitch and Putt site to identify possible alternative management and associated maintenance arrangements	(0.040)				(0.040)		-2.0			-2.0	✓	
30	Neighbourhood Services	Neighbourhood Services	Parks, Green & Open Space review	Closure of underutilised bowling greens and reduction in grounds standards at these sites	(0.020)				(0.020)		-1.0			-1.0	✓	
31	Neighbourhood Services	Neighbourhood Services	Commercial Waste % price review increase each year	Fees and Charges review of Commercial Waste pricing	(0.200)				(0.200)					0.0	✓	
32	Sport & Culture	Sport & Culture	Leisure & Culture	Redesign of Community Assets.	(0.070)	(0.130)	(0.300)		(0.500)		-1.0	tbc	tbc	-1.0	✓	
33	Sport & Culture	Sports & Leisure	Sport & Leisure	Pricing review across fees and charges	(0.100)				(0.100)					0.0	✓	
34	Sport & Culture	Museums	Museums Service	Review of fees & parking tariffs	(0.040)				(0.040)					0.0	✓	
35	Sport & Culture	Museums	Cultural Grants	Cultural Grants reduction	(0.035)				(0.035)					0.0	✓	
36	Sport & Culture	Museums	Museums Service	Reduced annual contribution to the Greens Windmill Trust, a company limited by guarantee	(0.005)				(0.005)					-1.0	✓	
37	Sport & Culture	Events	Events	Review income and commercial growth of events programme		(0.033)			(0.033)					0.0	✓	
38	Sport & Culture	Theatre Royal & Concert Hall	Theatre Royal & Concert Hall	Review of rental fees	(0.030)				(0.030)					0.0	✓	
RESIDENT SERVICES TOTAL					(2.502)	(0.183)	(0.320)	(0.020)	(3.024)		-23.3	0.0	0.0	0.0	-23.3	

GROWTH & CITY DEVELOPMENT																
39	G&CD Directorate	Strategic Homelessness	Savings if Housing Aid restructure implemented	Restructure of the Housing Aid resources by July 2023 to enable greater early preventative support to reduce reliance on B&B and ultimately reducing all B&B budgets by 26/27 underpinned by a revised housing allocation policy	(0.312)	(4.840)	(3.266)	(7.949)	(16.367)						0.0	✓
40	G&CD Directorate	Strategic Homelessness	Utilise DHP rather than grants to support Private Rented Sector and other solutions	Combination of the Housing Aid restructure as above and amendment of the use of Discretionary Housing Payments	(0.175)	(0.351)			(0.525)						0.0	✓
41	G&CD Directorate	Strategic Homelessness	Amend policy of number of children housed in flats	In parallel with the Housing Aid restructure revised housing allocation policy in relation to use of flats	(0.036)	(0.378)			(0.414)						0.0	✓
42	G&CD Directorate	Regeneration & Housing Partnerships	Restructure of Regeneration team	This proposal deletes the current vacant posts in the Regeneration Team. As these posts are vacant this proposal can be implemented immediately upon agreement and without any implications for staff redundancies. Current projects are being progressed through the occupied posts so this will not require us to stop any current projects	(0.091)				(0.091)		-4.3				-4.3	✓
43	Economic Development	Business Growth	Service Redesign of Economic Development	It is proposed to undertake a service redesign process which repositions the service to focus on the development of strategy and provides capacity so Nottingham's priorities are effectively positioned for future funding opportunities, but reduces the management of directly delivered projects	(0.194)				(0.194)		-2.0				-2.0	✓
44	Major Projects	Transport Operations	Stop provision of Shopmobility service	Due to changes in consumer behaviour the demand for shopmobility at Victoria Centre has declined over time, meaning the service is no longer cost effective. Therefore the proposal is to withdraw services completely	(0.041)				(0.041)		-1.0				-1.0	✓

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE	
45	Planning & Traffic	GIS	GIS Team - Service Redesign	Revise service provision to focus on minimum acceptable standard of statutory duties and support provided to other statutory functions, incorporating more self-serve	(0.065)				(0.065)	-1.0				-1.0	✓
46	Planning & Traffic	Traffic Safety	Traffic & Safety Service redesign	Complete Service Area Redesign which has reviewed service delivery to minimum statutory service provision and continually minimise operational costs. The final phase optimises the establishment further and reduces staffing costs	(0.035)				(0.035)	-4.0				-4.0	✓
47	Planning & Traffic	Traffic Safety	Traffic Safety	Revise Highway Network Management License Fees (e.g. TTRO's, Café Licenses and Skip Licenses) to reflect increased costs of service provision since the last full review in 2017. New charges effective from 1 April 2023 will generate an additional £0.125m based on typical annual application numbers	(0.125)				(0.125)					0.0	✓
GROWTH & CITY DEVELOPMENT TOTAL					(1.072)	(5.569)	(3.266)	(7.949)	(17.856)	-12.3	0.0	0.0	0.0	-12.3	

FINANCE & RESOURCES															
48	Customer Services	Customer Services	Customer First – Delivery Hub Acceleration	Acceleration of pace to the Customer First Transformation Programme, improving residents' access to NCC by transitioning all council contact into Customer Services and applying digital solutions	(0.411)	0.411			0.000	-16.4				-16.4	✓
49	Customer Services	Transformation	Business Support – Delivery Hub Model	Review and rationalisation of internal council support services creating a consistent operating model using agreed delivery principles, digitisation and automation to improve and streamline ways of working	(1.468)	0.424			(1.044)	-52.4				-52.4	✓
50	Strategy & Policy	Analysis & Insight Service	Delete vacant Data Analyst Post	Removal of a vacant Data Analyst post. The post has been held vacant to for 2 years to mitigate budget pressures.	(0.033)				(0.033)	-1.0				-1.0	✓
FINANCE & RESOURCES TOTAL					(1.912)	0.835	0.000	0.000	(1.077)	-69.8	0.0	0.0	0.0	-69.8	

CORPORATE – no proposals requiring public consultation					0.000	0.000	0.000	0.000	0.000	0.0	0.0	0.0	0.0	0.0	
---	--	--	--	--	--------------	--------------	--------------	--------------	--------------	------------	------------	------------	------------	------------	--

TOTAL PROPOSALS REQUIRING PUBLIC CONSULTATION					(10.269)	(11.309)	(8.260)	(12.333)	(42.171)	-99.4	0.0	0.0	0.0	-99.4	
--	--	--	--	--	-----------------	-----------------	----------------	-----------------	-----------------	--------------	------------	------------	------------	--------------	--

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE	
ADULTS – no proposals not requiring public consultation					0.000	0.000	0.000	0.000	0.000	0.0	0.0	0.0	0.0	0.0	
CHILDREN'S															
1	Children's Integrated Services	Early Help Services	Supporting families grant funding - Early Help offer	Supporting families grant funding for Early Help offer in order to drive improved outcomes and payment by results.	(0.500)			0.500	0.000					0.0	
CHILDREN'S TOTAL					(0.500)	0.000	0.000	0.500	0.000	0.0	0.0	0.0	0.0	0.0	
EDUCATION – no proposals not requiring public consultation					0.000	0.000	0.000	0.000	0.000	0.0	0.0	0.0	0.0	0.0	
PEOPLE TOTAL					(0.500)	0.000	0.000	0.500	0.000	0.0	0.0	0.0	0.0	0.0	
RESIDENT SERVICES															
2	Neighbourhood Services	Neighbourhood Services	Corporate Landlord Model - Centralisation of Reactive Budgets	Centralise All Reactive Repairs & Maintenance Budgets across the council to align with the corporate landlord model and Building Safety Bill. This will result in improved governance and financial performance, and provide value for money through the procurement strategy.	(1.000)				(1.000)					0.0	
3	Neighbourhood Services	Neighbourhood Services	Corporate Landlord Model - Property Maintenance - Insource Fire & Intruder Alarm Reactive and Maintenance	Insourcing of all fire and intruder alarm activity	(0.150)				(0.150)		+2.0			+2.0	
4	Neighbourhood Services	Neighbourhood Services	Corporate Landlord Model - Statutory Testing	Review of how the statutory testing function is undertaken within buildings	(0.110)				(0.110)		-4.0			-4.0	
5	Neighbourhood Services	Neighbourhood Services	Corporate Landlord Model - Hybrid Mail Implementation	Implementation of hybrid mail across the local authority	(0.150)				(0.150)					0.0	
6	Neighbourhood Services	Neighbourhood Services	Implement existing policy on Waste Collection	Service will cease providing additional collections where residents have not presented the bins on the right day	(0.100)				(0.100)		-4.0			-4.0	
7	Neighbourhood Services	Neighbourhood Services	Street Litter Bin & Cleansing efficiency	Implement city wide standards	(0.100)				(0.100)		-4.0			-4.0	
8	Neighbourhood Services	Neighbourhood Services	Fleet Review	Implement Best Value review	(0.100)				(0.100)					0.0	
9	Neighbourhood Services	Neighbourhood Services	Reduce Green Flag Awards	Only pay the application fee for 10 Green Space sites where there are contractual requirements to do so. Cease paying for application fees for Green Flag Awards for 31 sites and introduce a self-assessment with peer review of new Core City Standard for one year only.	(0.010)	0.010			0.000					0.0	
10	Neighbourhood Services	Nottingham Catering	Annual Increase in Management Fees to Schools	Annual charges to schools already communicated to schools	(0.220)	(0.096)			(0.316)					0.0	
11	Neighbourhood Services	Nottingham Catering	New School Contracts	Additional school catering activity to new school customers	(0.030)	(0.030)	(0.030)	(0.030)	(0.120)					0.0	
12	Neighbourhood Services	Nottingham Catering	Fareshare Project	New income from Fareshare Project and use of Loxley House per annum	(0.010)		0.010		0.000					0.0	
13	Community Protection	Operations PR&C	Transform Security Services	Transform to a core in-house security service with a commissioned approach to meet additional requirements.	(0.022)	(0.057)			(0.079)					0.0	

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE	
14	Community Protection	Operations PR&C	Additional Grant Funding	Utilise additional grant funding to support core costs of the council in line with the grant criteria for one year only	(0.100)	0.100			0.000					0.0	
RESIDENT SERVICES TOTAL					(2.102)	(0.073)	(0.020)	(0.030)	(2.225)	-10.0	0.0	0.0	0.0	-10.0	

GROWTH & CITY DEVELOPMENT															
15	Economic Development	Business Growth	Accelerate reduction to Inward Investment & Tourism activity	Bring forward gradual reductions of funding for Inward Investment and Tourism	(0.050)		0.050		0.000					0.0	
16	Major Projects	Transport Strategy	Local Transport Plan	Optimise Local Transport Plan grant funding to meet related staff costs for one full time post for developing plan	(0.039)				(0.039)					0.0	
17	Carbon Reduction, Energy & Sustainability	EE & Waste Strategy	Increase to Tariff - Enviroenergy	Enviroenergy Tariff increases	(0.719)				(0.719)					0.0	
18	Strategic Assets & Property	Strategic Assets & Property	Consolidation of Office Estate	Short term mothballing of two floors of Loxley House to achieve savings in facilities management and energy costs, pending a longer term review of the office estate	(0.200)				(0.200)					0.0	
19	Strategic Assets & Property	Strategic Assets & Property	Consolidation of Office Estate	Short term mothballing of two buildings on the Eastcroft depot, delivering savings in facilities management and energy costs, pending a longer term review of the depot facilities	(0.078)				(0.078)					0.0	
20	Planning & Traffic	Traffic	Release of Moving Traffic Enforcement Reserve	This reserve holds income received from Moving Traffic Enforcement penalty charges to ensure that its use is in line with relevant legislation. Operational costs of passenger public transport is one of these legitimate costs and £1m of the reserve will be used to support these costs in the General Fund in 2023/24 only. This proposal has received assurance from Legal and Finance colleagues and is compliant with relevant legislation and is eligible expenditure	(1.000)	1.000			0.000					0.0	
GROWTH & CITY DEVELOPMENT					(2.086)	1.000	0.050	0.000	(1.036)	0.0	0.0	0.0	0.0	0.0	

FINANCE & RESOURCES															
21	Customer Services	Customer Services	Nottingham Revenue & Benefits Services returning to NCC	Nottingham Revenue & Benefits Ltd to return to NCC on 1.4.23 at end of contract following review.	(0.500)	(0.250)	(0.250)		(1.000)					0.0	
22	IT	IT	Cloud Storage	Reducing use of physical shared drives by migrating services to cloud storage as part of existing contracts. This reduces replacement costs of on premise equipment and provides colleagues with increased flexibility in how they are able to work.	(0.102)				(0.102)					0.0	
23	IT	IT	Update telephone systems & services	Update current telephone, voice systems and services to align with post-pandemic usage, reflecting a modern digitally enabled council and offer citizens a more effective service. Proposals include replacing c.60% of landline numbers with MS Teams.	(0.147)				(0.147)					0.0	
24	Strategy & Policy	Strategy & Policy	One year gap in engagement (Citizen Survey)	The citizen survey is a one off saving for 2023/24 and therefore would lead to the cessation of collecting satisfaction data from the public and obtaining public opinion in 2023/24. The budget for Citizen Survey comes back from 2024/25.	(0.030)	0.030			0.000					0.0	
FINANCE & RESOURCES TOTAL					(0.779)	(0.220)	(0.250)	0.000	(1.249)	0.0	0.0	0.0	0.0	0.0	

CORPORATE															
25	Corporate Budgets	Financing & Investment	Minimum Revenue Provision	Review MRP Forecast following period 6 review of the Capital Programme.	(5.500)	4.500			(1.000)					0.0	
26	Corporate Budgets	Financing & Investment	Treasury Management Income	Review and update Treasury Investment Income budget	(4.000)				(4.000)					0.0	

No.	Division	Service Area	Title of Proposal	Narrative	MTFP (annual figures)					Staff Impact (annual figures)					EIA available
					2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m	2023/24 FTE	2024/25 FTE	2025/26 FTE	2026/27 FTE	Cumulative FTE	
27	Corporate Budgets	Corporate Budgets (Reserves)	Revenue Implications of Capital Schemes Reserve	The purpose of this reserve is to offset early years deficits that are programmed to generate revenue contributions over the medium to long term but in the early years result in a net spend until the programme becomes fully established. A review of this reserve and its use has concluded that the annual contribution can be reduced by £1.1m.	(1.100)				(1.100)					0.0	
28	Corporate Budgets	Corporate Budgets (Reserves)	IT Investment Fund	One year holiday for the contribution to IT Investment Fund. The current balance on the reserve is c£10m. Plans are underway to review the IT spending plans to develop comprehensive capital investment plans for capital programmes and establish operational revenue budget for 24/25	(2.675)	2.675			0.000					0.0	
CORPORATE TOTAL					(13.275)	7.175	0.000	0.000	(6.100)	0.0	0.0	0.0	0.0	0.0	
TOTAL PROPOSALS NOT REQUIRING PUBLIC CONSULTATION					(18.742)	7.882	(0.220)	0.470	(10.610)	-10.0	0.0	0.0	0.0	-10.0	

This page is intentionally left blank

Subject:	Treasury Management 2022/23 Half Yearly Update
Corporate Director(s)/Director(s):	Clive Heaphy, Interim Corporate Director of Finance and Resources and Section 151 Officer
Portfolio Holder(s):	Councillor Adele Williams, Portfolio Holder for Finance
Report author and contact details:	Jacqueline Mundy, Senior Accountant – Treasury Management 0115 8763724, Jacqueline.mundy@nottinghamcity.gov.uk
Other colleagues who have provided input:	Members of Treasury Management Panel: Clive Heaphy, Corporate Director of Finance and Resources Debbie Middleton, Interim Director of Finance and Deputy 151 Officer Jean Stevenson, Interim Finance Team Leader – Technical Team Jo Worster, Strategic Finance Team Leader Jacqueline Mundy, Senior Accountant – Treasury Management
Subject to call-in:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Key Decision:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Criteria for Key Decision:	
(a) <input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision	
and/or	
(b) Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of expenditure: <input type="checkbox"/> Revenue <input type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date: N/A	
Total value of the decision: Nil	
Wards affected: All	
Date of consultation with Portfolio Holder(s): Throughout the year	
Relevant Council Plan Key Outcome:	
Clean and Connected Communities	<input checked="" type="checkbox"/>
Keeping Nottingham Working	<input checked="" type="checkbox"/>
Carbon Neutral by 2028	<input checked="" type="checkbox"/>
Safer Nottingham	<input checked="" type="checkbox"/>
Child-Friendly Nottingham	<input checked="" type="checkbox"/>
Healthy and Inclusive	<input checked="" type="checkbox"/>
Keeping Nottingham Moving	<input checked="" type="checkbox"/>
Improve the City Centre	<input checked="" type="checkbox"/>
Better Housing	<input checked="" type="checkbox"/>
Financial Stability	<input checked="" type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
This report sets out details of treasury management actions and performance from 1 April 2022 to 30 September 2022. In summary:	
<ul style="list-style-type: none"> • No new long-term borrowing has been undertaken in the period to 30 September 2022, the balance of external loans debt has decreased by £14.1m and is below the forecast within the Voluntary Debt Reduction Policy (section 4.3); • The average interest rate payable on the debt portfolio increased slightly from 3.431% at 31 March 2022 to 3.433% at 30 September 2022 (section 4.3); • no debt rescheduling had been undertaken to 30 September 2022 (section 4.4); • the average return on investments to 30 September 2022 was 1.85% against a benchmark rate of 1.22% (SONIA) (section 4.7); • there has been compliance with Prudential Indicators for 1 April to 30 September 2022 (section 4.8); 	

Does this report contain any information that is exempt from publication? No
--

Recommendation(s):

1 To note the treasury management actions taken in 2022/23 to 30 September 2022.

1. Reasons for recommendations

1.1 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.

2. Background

2.1 Capital Strategy

In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. As from 2019/20, all local authorities have been required to prepare a Capital Strategy which is to provide the following: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed;
- the implications for future financial sustainability.

2.2 Treasury Management

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2.3 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017).

The primary requirements of the Code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
- Receipt by the Full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead. Receipt by Executive Board of a Mid-year Review Report and an Annual Report, covering activities during the previous year.
- Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is the Audit Committee.

2.4 This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first part of the 2022/23 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy and prudential indicators;
- A review of the Council's investment portfolio for 2022/23;
- A review of the Council's borrowing strategy for 2022/23;
- A review of any debt rescheduling undertaken during 2022/23;
- A review of compliance with Treasury and Prudential Limits for 2022/23

3. **Other options considered in making recommendations**

3.1 No other options were considered as the report is required by the Treasury Management Code of Practice.

4. **Treasury Management Activity to 30 September 2022**

4.1 **The Economy and Interest Rates During 2022/23**

Growth and Inflation

The UK economy grew by 0.2% q/q in Q1 2022/23, though this remains below pre-pandemic levels. This means the UK economy has so far avoided recession. There are signs of economic activity losing momentum as production falls and energy prices continue to rise.

The Monetary Policy Committee (MPC) expect inflation to rise to 11% at the close of 2022. CPI inflation eased to 9.9% y/y in August, having been 10.1% in July, but domestic price pressures showing little sign of abating in the near-term and future inflation is likely to stay above 10% over the coming months.

The Monetary Policy Committee (MPC) Bank Rate rose by 100bps over quarter 2, taking Bank Rate to 2.25% with further rises to come. Our external advisors Link expect the Monetary Policy Committee (MPC) to increase interest rates further and faster, from 2.25% currently to a peak of 5.00% in February 2023. The combination of the government's fiscal loosening, the

tight labour market and inflation expectations means they expect the MPC to raise interest rates by 100bps at the policy meetings in November (to 3.25%) and 75 basis points in December (to 4%) followed by further 50 basis point hikes in February and March (to 5.00%).

The Consumer Price Index inflation % (CPI) has eased from 10.1% in July to 9.9% in August, though inflation has not peaked yet. The easing in August was mainly due to a decline in fuel prices reducing fuel inflation from 43.7% to 32.1%.

Forecast Interest rates

The Council's treasury advisor, Link Group, has provided the following forecast. (PWLB rates are certainty rates):

Link Group Interest Rate View 27.09.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
BANK RATE	4.00	5.00	5.00	5.00	4.50	4.00	3.75	3.25	3.00	2.75	2.75	2.50
3 month ave earnings	4.50	5.00	5.00	5.00	4.50	4.00	3.80	3.30	3.00	2.80	2.80	2.50
6 month ave earnings	4.70	5.20	5.10	5.00	4.60	4.10	3.90	3.40	3.10	3.00	2.90	2.60
12 month ave earnings	5.30	5.30	5.20	5.00	4.70	4.20	4.00	3.50	3.20	3.10	3.00	2.70
5 yr PWLB	5.00	4.90	4.70	4.50	4.20	3.90	3.70	3.50	3.40	3.30	3.20	3.20
10 yr PWLB	4.90	4.70	4.60	4.30	4.10	3.80	3.60	3.50	3.40	3.30	3.20	3.20
25 yr PWLB	5.10	4.90	4.80	4.50	4.30	4.10	3.90	3.70	3.60	3.60	3.50	3.40
50 yr PWLB	4.80	4.60	4.50	4.20	4.00	3.80	3.60	3.40	3.30	3.30	3.20	3.10

Appendix B shows the money market interest rates, the PWLB borrowing rates for the half-year to 30 September 2022 and a forward view for PWLB loan rates.

4.2 Local Context

4.2.1 The Treasury Management Strategy Statement (TMSS), for 2022/23 was approved by Full Council on 22 March 2022. There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved as at 30 September 2022.

4.2.2 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources based on robust financial modelling, the capital expenditure will give rise to a borrowing need.

4.2.3 At 31/03/2022 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £1,382m.

The CFR is forecast to decrease by £11.7m to £1,353.4m by 31/03/2023 against the original CFR estimate for 31/03/2022 of £1,365.1m with reductions due to slippage and the Voluntary Debt Reduction Policy (VDRP) review of the capital program which included the delay/cancellation of some major schemes.

Table 1 below shows the original and expected financing arrangements of the capital programme. The borrowing element of the table increases the

underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This borrowing need may also be supplemented for maturing debt and other treasury requirements.

Table 1: Capital Expenditure	2022/23 Original Estimate £m	2022/23 Revised Estimate £m
Total Capital Expenditure	223.73	184.03
Financed by:		
Capital Receipts	27.241	28.1
Capital Grants & Contributions	113.655	92.959
Internal Funds/Revenue (inc. Major Repairs Reserve	40.885	39.83
Resources	7.138	0
Total Financing	188.919	160.9
Borrowing Requirement	34.811	23.1

Note to table: Original estimate was Q3 2021/22 used for the 2022/23 Treasury Management Strategy Report.

4.2.4 The decrease in estimated capital expenditure is due to slippage on capital projects including expenditure originally forecast to have been incurred in 2022/23. The associated financing of these schemes has also moved to the same forecast period as the expenditure.

4.3 Borrowing

4.3.1 To finance the CFR the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

4.3.2 At 30/9/2022 the Council has reduced the balance of external loans by £8.1m since the balance at 31/3/2022 due to monthly repayments of principle and interest on the outstanding loans. The Council does not expect to increase borrowing in the 2nd half of 2022/23 based on the revised capital program and forecast cash flow requirements. As described in the Voluntary Debt Reduction Policy the level of external loans is expected to continue to reduce as existing loans mature without replacement. The CFR reduces due to the reductions in the capital program and as the council makes its approved minimum revenue provision (MRP) against prior years capital expenditure financed by borrowing.

4.3.3 **Table 2** summarises the Council's outstanding external debt at 30 September 2022 showing the value of debt and the average interest rate payable on the debt.

TABLE 2: DEBT PORTFOLIO					
	31-Mar-22		30-Sep-22		Change
DEBT	£m	Average Interest %	£m	Average Interest %	£m
PWLB borrowing	849.71	3.385	841.6	3.39	-8.1
Market loans	49.0	4.348	49.0	4.348	-
Temporary borrowing & other	2.232	0.768	2.232	0.768	0.0
TOTAL LOANS DEBT	900.94	3.431	892.832	3.433	-8.1
Other inc PFI	170.2		164.2		-6.0
TOTAL DEBT	1071.1		1057.0		-14.1

The graph below shows the debt portfolio's maturity profile by loan type and the weighted average interest rates that are associated with the maturities in each period. This maturity profile is summarised in the Prudential Indicator for the Maturity Structure for Borrowing table shown in **section 4.8.3**.

4.3.4 At 30/09/2022, the Council had £1,057m of external borrowing including £164.2m of Private Finance Initiative (PFI) and lease liabilities. The Council continues to maintain borrowing and investments below their underlying levels, referred to as internal borrowing, subject to holding a minimum investment balance of around £30m.

The Council's internal borrowing position at 31 March 2022 was £312m. This meant that c.27% of the overall capital borrowing need including prior year capital expenditure, but excluding PFI liabilities (known as the Underlying Borrowing Requirement or Loans Capital Financing Requirement), was not funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as a temporary measure.

The strategy of using internal borrowing avoids interest payable on external borrowing in the short term until actual new borrowing is taken or the borrowing requirement reduces. For example £300m borrowing would cost around £7m per year using an interest rate of 2.33% and a 25 year maturity loan profile (2.33% was average PWLB rate for 2021-22 for 25 years loans which broadly represents the debt portfolio's weighted average life).

The council expects to retain this internal borrowing position as a prudent and cost effective approach in view of the reducing CFR and the current economic climate but will continue to monitor this against the upside risk to gilt yields.

The continuation of this existing strategy will further support managing the council's cost of financing in the coming years and supports the aims of the VDRP in reducing the Council's debt levels.

4.3.5 Compliance with the Voluntary Debt Reduction Policy

Table 3 below reflects the reductions in capital expenditure financed by borrowing and the capital receipt strategy in the forecast Capital Financing Requirement and external loans debt in the medium term.

Table 3: VDRP Forecast Refresh			
Debt Measurement	VDRP Original Forecast	Qtr2 Actual & Forecast	Movement (Under) / Over

	£m	£m	£m
CFR			
2020/21	1,443.50	1,411.60	(31.90)
2021/22	1,434.20	1,382.88	(51.32)
2022/23	1,390.60	1,350.56	(40.04)
2023/24	1,337.30	1,305.31	(31.99)
2024/25	1,272.50	1,243.92	(28.58)
External Debt			
2020/21	981.60	932.80	(48.80)
2021/22	991.00	900.94	(90.06)
2022/23	986.20	887.54	(98.66)
2023/24	954.80	864.46	(90.34)
2024/25	927.40	840.01	(87.40)

4.4 Debt rescheduling

Debt rescheduling opportunities have been very limited in the current economic climate given the PWLB continued to operate a spread of approximately 1% between “premature repayment rate” and “new loan” rates so the premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the debt portfolio and therefore unattractive for debt rescheduling activity. Market Loan rescheduling opportunities are currently being investigated. As interest rates rise there may be opportunities to repay debt early without incurring substantial costs. No debt rescheduling has therefore been undertaken to date in the current financial year. However, we continue to look for opportunities in the second half of the financial year.

4.5 Lender’s Option Borrower’s Options (LOBO) Loans

The Council holds £34.000m of LOBO loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £14.000m of these LOBO loans have options during the year, none have been exercised by the lender. The Council acknowledges there is an element of refinancing risk as in the current interest rate environment lenders may be more likely to exercise their options.

4.6 Housing Revenue Account (HRA) Treasury Management Strategy

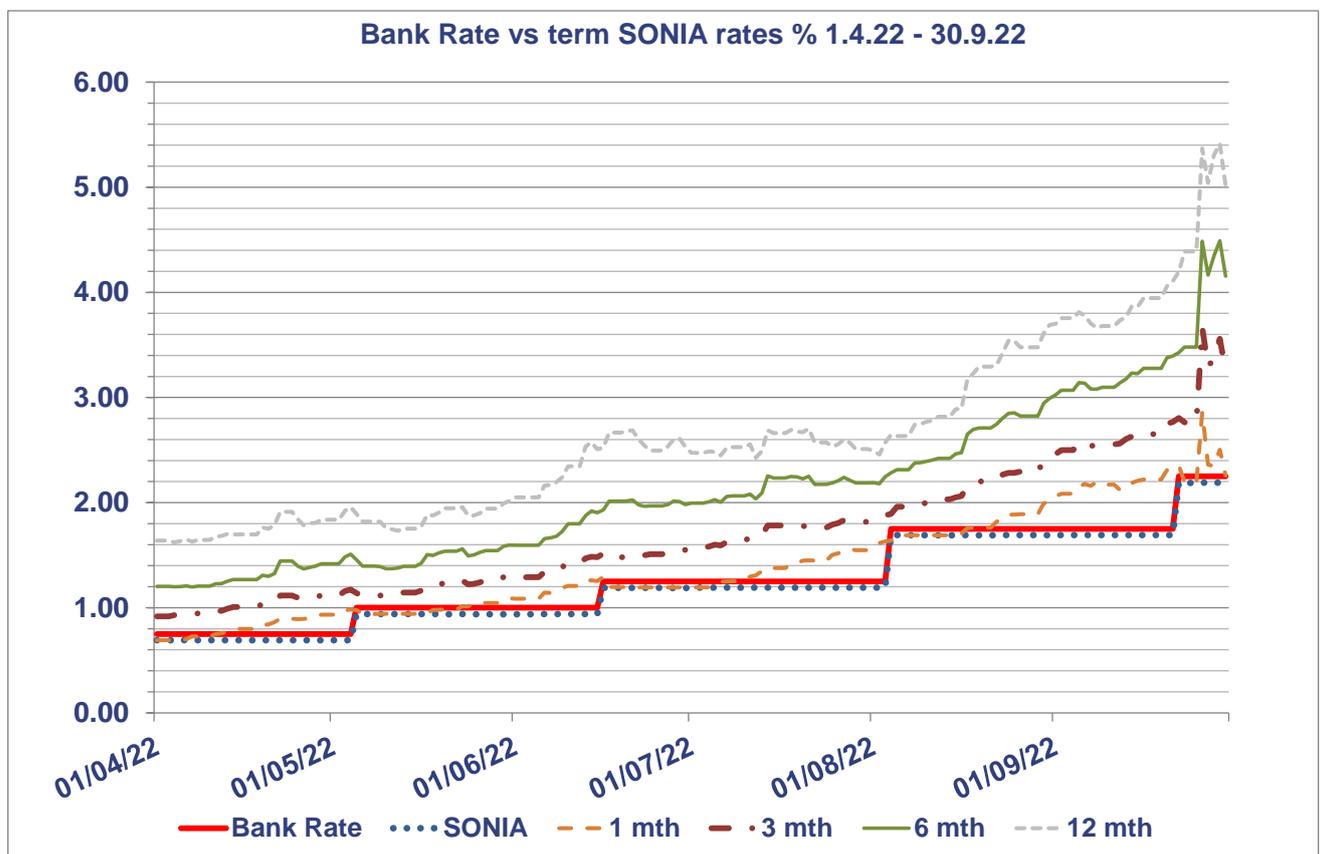
- 4.6.1 From 1 April 2002, the Council’s HRA was allocated a separate debt portfolio based on the appropriate proportion of the Councils existing debt at that time.
- 4.6.2 No further HRA loans have been taken in the first half of 2022/23. The HRA element of the CFR was £300.8m as at 31 March 2022 and was fully financed at an average rate of 4.49%. This includes £53.2m of long term fixed rate loans from the General Fund (known as internal loans). The HRA CFR is forecast to be £303.9m by 31 March 2023 and the HRA interest charge for 2022/23 is expected to be c.£13.076m.
- 4.6.3 In October 2018 the Government announced the HRA debt cap was to be abolished, but the now notional cap has been retained as a useful indicator. Any capital expenditure financed by borrowing would need to comply with the requirements of the CIPFA prudential code including ensuring the scheme was affordable, sustainable and in proportion to the resources available.

4.7 Investments

- 4.7.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity. The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and within the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also where cash flow forecasts permit to seek out value available in longer periods with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.
- 4.7.2 As shown by the interest rate forecasts in section 4.1, it is now possible to earn greater levels of interest rates as all short-term money market investment rates have risen substantially. Given this environment and the fact that Bank Rate may rise several times before 31 March 2023, investment returns are expected to increase in the second half of the year.
- 4.7.3 **Creditworthiness:** Following the Government's fiscal event on 23rd September, both S&P and Fitch have placed the UK sovereign debt rating on Negative Outlook, reflecting a downside bias to the current ratings in light of expectations of weaker finances and the economic outlook.

The current investment counterparty criteria selection (including minimum long-term counterparty credit rating of A- across rating agencies Fitch, S&P and Moody's) approved in the TMSS is meeting the requirement of the treasury management function.

- 4.7.4 **Investment balances:** The average level of funds available for investment purposes during the first half of 2022/23 was £391.6m. This was significantly higher than anticipated but is expected to fall in the next 6 months. The increased investment balances has been seen across most local authorities and in part was due to increased government funding and delays to forecast spending on the capital programme.
- 4.7.5 **Investment rates during half year ended 30th September 2022:** As shown below the rates use the traditional market method for calculating SONIA period % rates and shows the upward trend in levels this year.



QUARTER ENDED 30/9/2022						
	Bank Rate	SONIA	1 mth	3 mth	6 mth	12 mth
High	2.25	2.19	2.86	3.67	4.49	5.41
High Date	22/09/2022	30/09/2022	26/09/2022	26/09/2022	29/09/2022	29/09/2022
Low	0.75	0.69	0.69	0.92	1.20	1.62
Low Date	01/04/2022	28/04/2022	01/04/2022	01/04/2022	07/04/2022	04/04/2022
Average	1.28	1.22	1.39	1.70	2.12	2.62
Spread	1.50	1.50	2.17	2.75	3.29	3.79

4.7.6 Investment performance year to date as at 30th September: The Council held £385.7m of investments as at 30 September 2022 (£367.2m at 31 March 2022) and the investment portfolio yield for the half year was 1.85% against a benchmark (Ave. SONIA) of 1.22%.

The Council outperformed the benchmark by 27 bps. The budgeted investment return for 2022/23 is £100k, and performance for the year to date is £2m above budget mainly due to rising interest rates and the higher than expected balances available for investment. These balances are expected to reduce towards the end of 2022/23.

LIBID as benchmark has been replaced with sterling overnight index average % (SONIA) during 2022.

4.7.7 Appendix A provides details of the Council's external investments at 30 September 2022, analysed between investment type and individual counterparties showing the current Fitch long-term credit rating.

Table 4 below summarises investment activity by type in 2022/23.

Table 4: Investment Portfolio	Balance on 01/04/2022 £m	Balance on 30/09/2022 £m	Avg Rate/Yield (%) as at 30/09/2022
Short term investments (call account, deposits):			
<i>Banks and Building Societies with ratings of A- or higher</i>	151.97	174.8	2.06
<i>Local Authorities</i>	142	85	1.16
Long Term Investments	9.9	9.9	1.08
Money Market Funds	64.3	116	1.98
Total Investments	368.17	385.7	1.849
Increase/(Decrease) in Investments £m		17.53	

4.7.8 **Approved limits:** The approved limits within the Annual Investment Strategy have not been breached during the first 6 months of 2022/23.

4.8 Compliance with Prudential Indicators

4.8.1 This report confirms compliance with the Prudential Indicators for 2022/23 set on 22 March 2022 as part of the Council's Treasury Management Strategy Statement.

4.8.2 The Council measures and manages its exposures to treasury management risks using the following additional indicators.

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The limits on variable rate interest rate exposures are:

	2021/22 £m	2022/23 £m	2023/24 £m
Upper limit on variable interest rate exposure	300	300	300
Actual	33.0	33.0	

4.8.3 **Maturity Structure of Borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper	Actual
Under 12 months	0%	25%	1%
12 months and within 24 months	0%	25%	3%
24 months and within 5 years	0%	25%	9%
5 years and within 10 years	0%	25%	17%
10 years and within 25 years	0%	50%	7%
25 years and within 40 years	0%	50%	32%
40 years and above	0%	50%	31%

4.8.4 **Principal Sums Invested for Periods Longer than 365 days:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2021/22	2022/23	2023/24

	£m	£m	£m
Limit on principal invested beyond year end	100	100	100
Actual	10	30	

4.8.5 **Operational Boundary and Authorised Limit for External Debt:** The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst case scenario for external debt. The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

The table below shows the expected debt position during 2022/23.

	2022/23 Original Estimate £m	Current Position	2022/23 Revised Estimate £m
Borrowing	890	892.8	892.8
Other long term liabilities*	158.2	158.2	158.2
Total Debt (year end position)	1,046.3	1051.0	1,051.0
Operational Boundary for external debt	1365.1	1365.1	1365.1
Authorised limit for external debt	1395.1	1395.1	1395.1

* Includes PFI and Leases liabilities

4.9 Treasury Management Reserve

4.9.1 The Treasury Management Reserve is maintained to smooth the impact of any volatility in treasury management revenue charges in any one year including new technical accounting entries relating to IFRS 9 (which stipulates the treatment of expected loss model based impairments on Treasury related investments and capital investments such as loans to third parties and financial guarantees). The balance on this reserve at 30 September 2022 is **£16.426m**.

Recent review of the Treasury reserves concluded that **£10.221m** could be released from the Treasury reserves that had totalled at **£26.647**. This was transferred to the Corporate Resilience Reserve during September 2022.

Based on the 6 months to 30 September 2022 there are no expected loss impairments expected in 2022/23 in relation to treasury investments.

4.10 Risk Management

4.10.1 Risk management plays a fundamental role in treasury activities, due to the value and nature of transactions involved. The management of specific treasury management risks is set out in the Manual of Treasury Management Practices and Procedures and a risk register is maintained for the treasury function.

4.10.2 The treasury management risk register's overall risk rating at 31 March 2022 was 4.23, (Likelihood = unlikely, Impact = minor) and is a lower rating than as at 31 March 2021, but it remains over the targeted risk rating of 2.94 (Likelihood = remote, Impact = minor). The risk rating reflects reduced risks around the capital programme, impacts of Covid-19, working from home

arrangements and the changes to the PWLB lending arrangements. The Treasury Management Working Group of senior Finance Managers with responsibility for Treasury Management (including Section 151 Officer and deputy 151 Officer) meet to manage this risk register and take appropriate actions as required.

4.11 Other Issues

4.11.1 CIPFA have released proposed changes to the current Treasury Management Code and Prudential Code. There will be a requirement to apply the principles from the publication date with full adoption expected from 2023/24.

The Treasury Management Code key proposals – update to the Treasury management practices (TMP) TMP10 training requirements; TMP 12 Corporate Governance; and amendments to Maturity Structure of Borrowing indicator. To introduce Investment Management Practices (IMPs) for reporting on investments which are not for treasury management purposes.

The Prudential Code key proposals – revision to Borrowing in Advance of Need criteria, including in respect of primarily yield generating investments; inclusion of proportionality in key capital expenditure objectives; process and governance sections to incorporate further changes in respect of commercial activity; three new prudential indicators – External Debt to Net Revenue Stream (NRS), Income from Commercial and Service Investment to NRS, Liability Benchmark; Proposal to abolish Gross Debt to Capital Financing Requirement indicator.

The implications of the revised guidance once published will be reported to councillors at the next opportunity.

5. Consideration of Risk

5.1 **Covered throughout the report.**

6. Finance colleague comments (including implications and value for money/VAT)

6.1 Treasury management payments comprise interest charges and receipts and provision for repayment of debt. A proportion of the City Council's debt relates to capital expenditure on council housing and this is charged to the HRA. The remaining costs are included within the treasury management section of the General Fund budget. The General Fund Treasury Management budget is £49.53m for 2022/23.

6.2 Value for Money: The Management of borrowing and investments is undertaken in conjunction with our appointed advisors, with the aim of minimising net revenue costs, maintaining an even debt maturity profile and ensuring the security and liquidity of investments.

Finance comments by Jacqueline Mundy/Jean Stephenson, Technical Accounting on 26 October 2022.

7. Legal colleague comments

As this is an update noting report providing details of treasury management actions and performance between April 2022 and September 2022 the report of itself it raises no significant legal issues.

Malcolm R. Townroe – Director of Legal and Governance – 9 December 2022

8. Other relevant comments

8.1 None

9. Crime and Disorder Implications

9.1 N/A

10. Social value considerations

10.1 N/A

11. Regard to the NHS Constitution

11.1 N/A

12. Equality Impact Assessment (EIA)

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

No



13. Data Protection Impact Assessment (DPIA)

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

No



14. Carbon Impact Assessment (CIA)

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

No



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

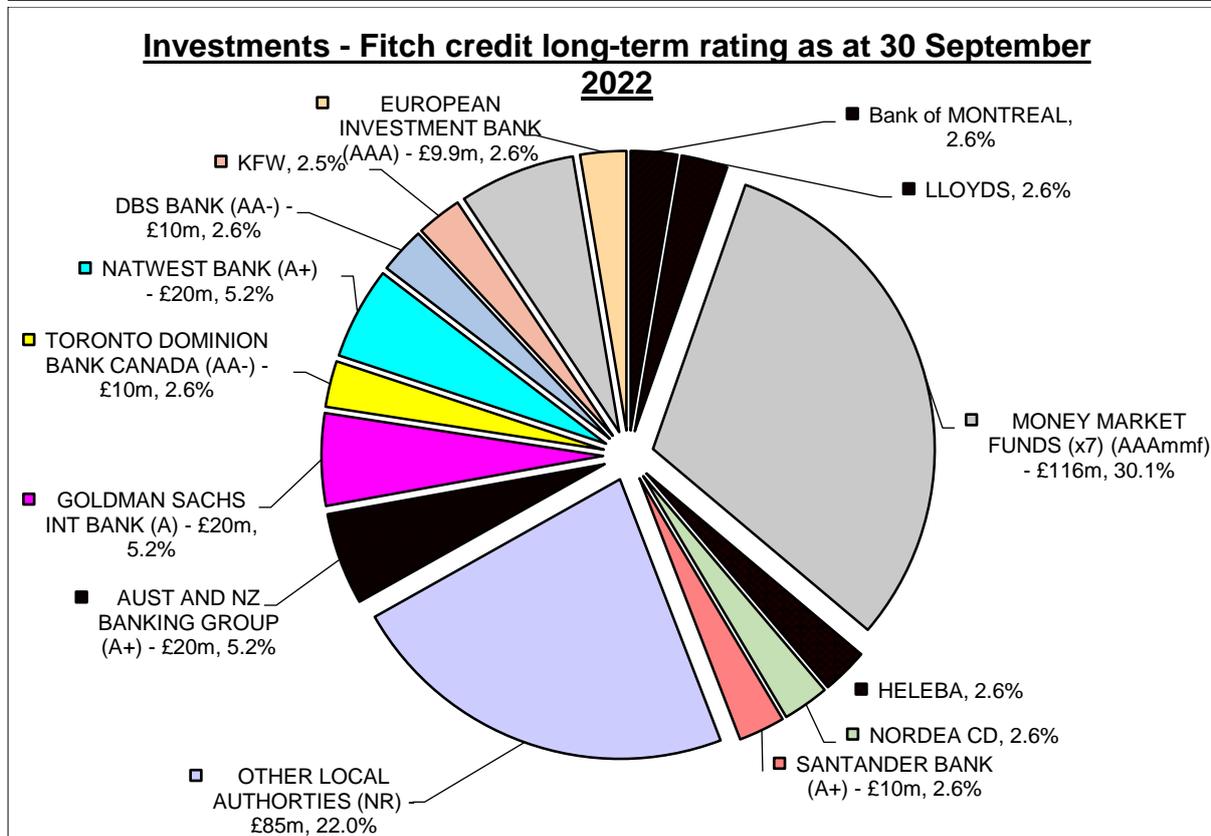
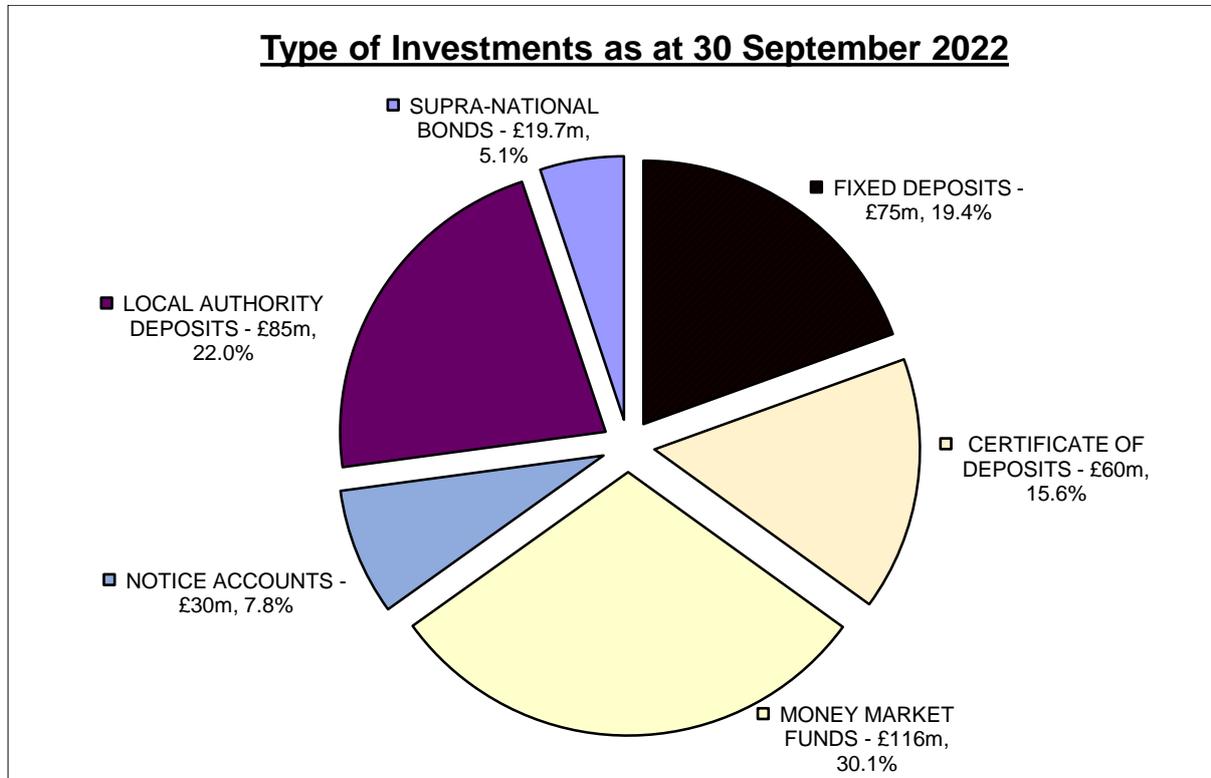
15.1 None

16. Published documents referred to in this report

- 16.1 Treasury Management Strategy 2022/23 and Capital Investment Strategy 2022/23 (including the Voluntary Debt Reduction Policy)
- 16.2 Nottingham City Council Recovery & Improvement Plan
- 16.3 Money Market and PWLB loan rates
- 16.4 Treasury Management in the Public Services Code of Practice 2017–CIPFA
- 16.5 Prudential Code 2017-CIPFA
- 16.6 Treasury Management in the Public Services Guidance Notes 2018 – CIPFA
- 16.7 Statutory guidance on local government investments 3rd Edition 2018
- 16.8 Statutory guidance on Minimum Revenue Provision (MRP) 2018

APPENDIX A

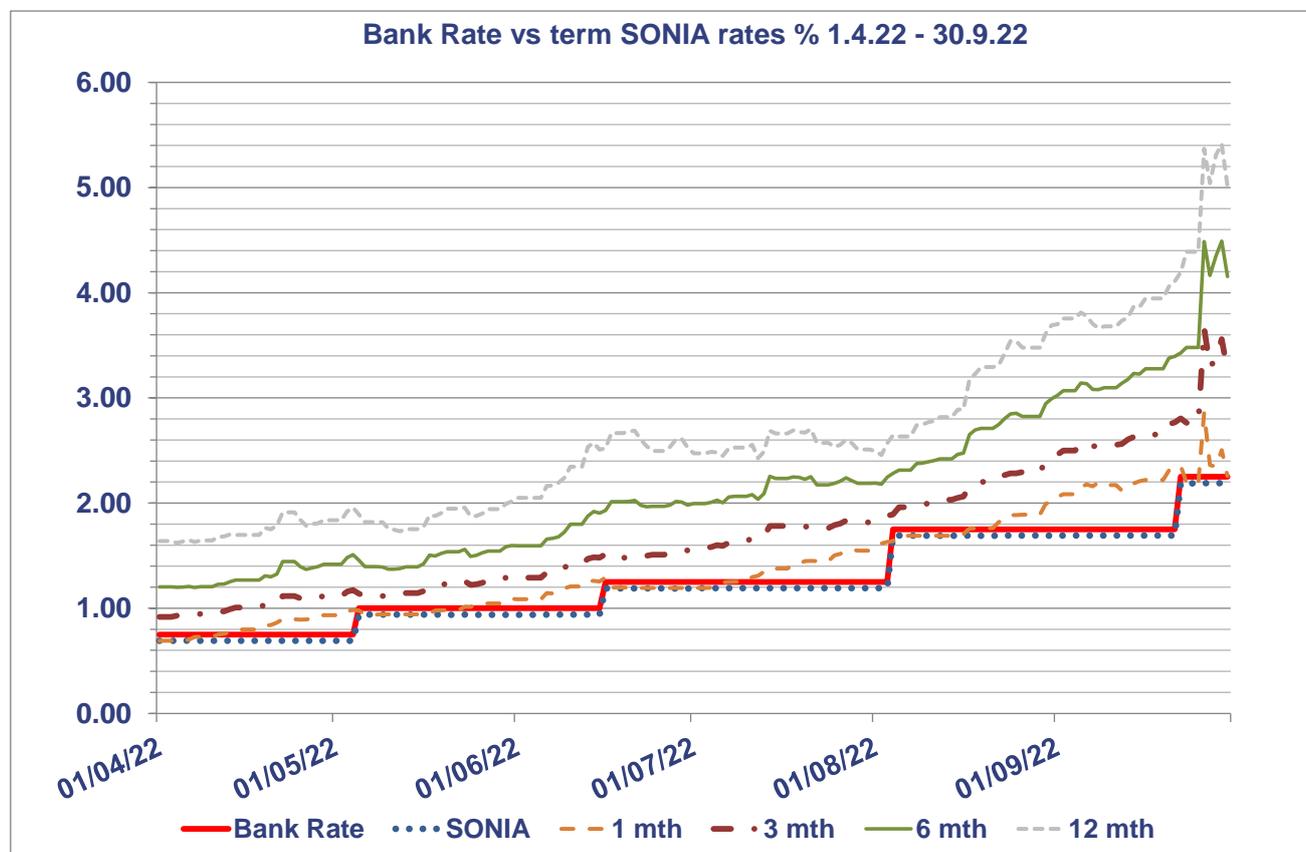
The charts below provide details of the Council's external investments at 30 September 2022, analysed between investment type and individual counterparties showing the current Fitch long-term credit rating.



This page is intentionally left blank

Money Market Data, PWLB Rates and an Economic Update

The table and graph below shows the UK Bank of England Bank Rate and benchmark rates within the short term money markets for the last 6 months.

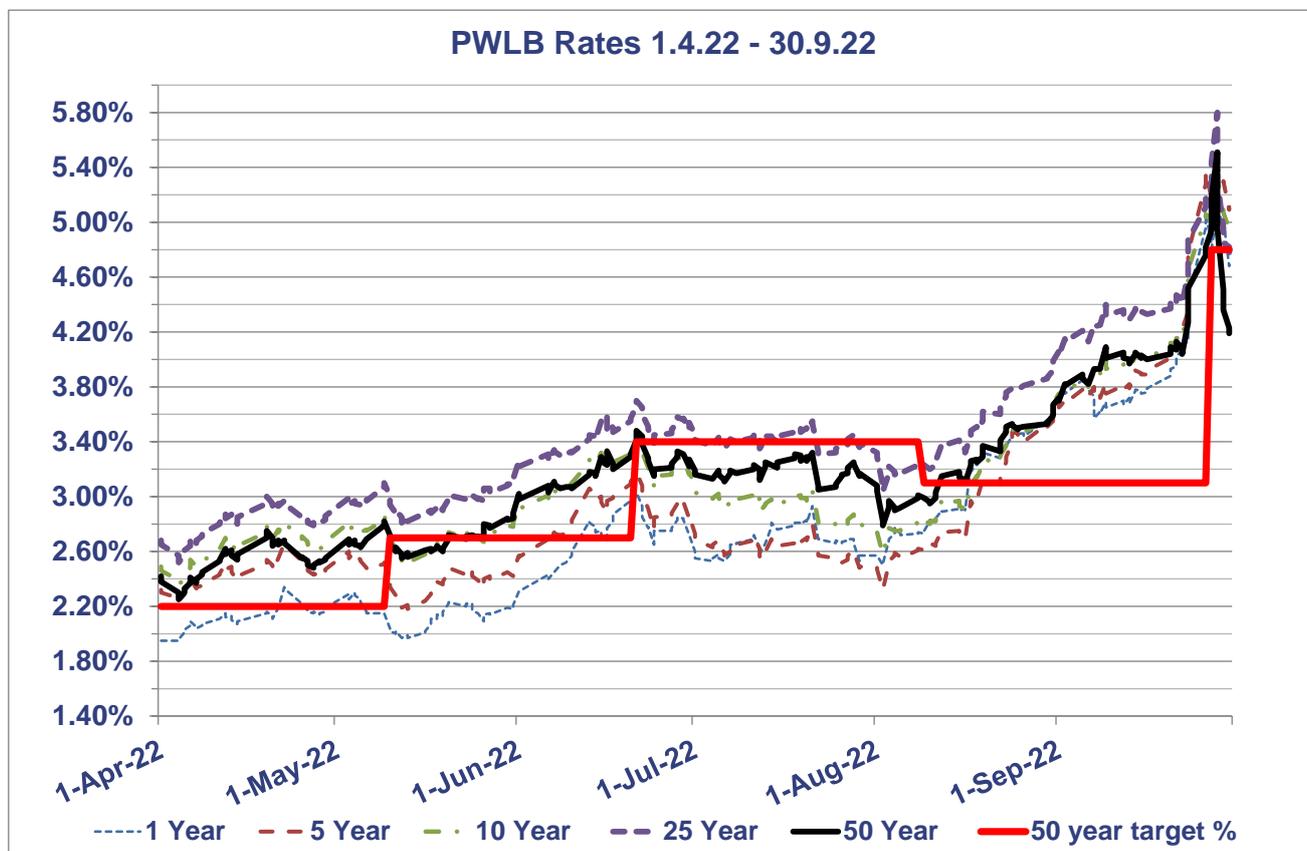


QUARTER ENDED 30/9/2022	Bank Rate	SONIA	1 mth	3 mth	6 mth	12 mth
High	2.25	2.19	2.86	3.67	4.49	5.41
High Date	22/09/2022	30/09/2022	26/09/2022	26/09/2022	29/09/2022	29/09/2022
Low	0.75	0.69	0.69	0.92	1.20	1.62
Low Date	01/04/2022	28/04/2022	01/04/2022	01/04/2022	07/04/2022	04/04/2022
Average	1.28	1.22	1.39	1.70	2.12	2.62
Spread	1.50	1.50	2.17	2.75	3.29	3.79

The table above, for completeness, covers both the first and second quarters of 2022/23.

PWLB certainty rates 1 April 2022 to 30 September 2022

The graph and table below show the movement in PWLB certainty rates for the first six months of the year to date:



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
High	5.11%	5.44%	5.35%	5.80%	5.51%
Date	28/09/2022	28/09/2022	28/09/2022	28/09/2022	28/09/2022
Average	2.81%	2.92%	3.13%	3.44%	3.17%
Spread	3.16%	3.26%	2.99%	3.28%	3.26%

Economics and interest rates

Economics update

The second quarter of 2022/23 saw:

- GDP revised upwards in Q1 2022/23 to +0.2% q/q from -0.1%, which means the UK economy has avoided recession for the time being;
- Signs of economic activity losing momentum as production fell due to rising energy prices;
- CPI inflation ease to 9.9% y/y in August, having been 9.0% in April, but domestic price pressures showing little sign of abating in the near-term;
- The unemployment rate fell to a 48-year low of 3.6% due to a large shortfall in labour supply;
- Bank Rate rise by 100bps over the quarter, taking Bank Rate to 2.25% with further rises to come;
- Gilt yields surge and sterling fall following the “fiscal event” of the new Prime Minister and Chancellor on 23rd September.

The UK economy grew by 0.2% q/q in Q1 2022/23, though revisions to historic data left it below pre-pandemic levels.

There are signs of higher energy prices creating more persistent downward effects in economic activity. Both industrial production (-0.3% m/m) and construction output (-0.8% m/m) fell in July 2022 for a second month in a row. Although some of this was probably due to the heat wave at the time, manufacturing output fell in some of the most energy intensive sectors (e.g., chemicals), pointing to signs of higher energy prices weighing on production. With the drag on real activity from high inflation having grown in recent months, GDP is at risk of contracting through the autumn and winter months.

The fall in the composite PMI from 49.6 in August to a 20-month low preliminary reading of 48.4 in September points to a fall in GDP of around 0.2% q/q in Q3 and consumer confidence is at a record low. Retail sales volumes fell by 1.6% m/m in August, which was the ninth fall in 10 months. That left sales volumes in August just 0.5% above their pre-Covid level and 3.3% below their level at the start of the year. There are also signs that households are spending their excess savings in response to high prices. Indeed, cash in households' bank accounts rose by £3.2bn in August, which was below the £3.9bn rise in July and much smaller than the 2019 average monthly rate of £4.6bn.

The labour market remained exceptionally tight. Data for July and August provided further evidence that the weaker economy is leading to a cooling in labour demand. Labour Force Survey (LFS) employment rose by 40,000 in the three months to July (the smallest rise since February). But a renewed rise in inactivity of 154,000 over the same period meant that the unemployment rate fell from 3.8% in June to a new 48-year low of 3.6%. The single-month data showed that inactivity rose by 354,000 in July itself and there are now 904,000 more inactive people aged 16+ compared to before the pandemic in February 2020. The number of vacancies has started to level off from recent record highs but there have been few signs of a slowing in the upward momentum on wage growth. Indeed, in July, the 3my/y rate of average earnings growth rose from 5.2% in June to 5.5%.

CPI inflation eased from 10.1% in July to 9.9% in August, though inflation has not peaked yet. The easing in August was mainly due to a decline in fuel prices reducing fuel inflation from 43.7% to 32.1%. And with the oil price now just below \$90pb, we would expect to see fuel prices fall further in the coming months.

However, utility price inflation is expected to add 0.7% to CPI inflation in October when the Ofgem unit price cap increases to, typically, £2,500 per household (prior to any benefit payments). But, as the government has frozen utility prices at that level for two years, energy price inflation will fall sharply after October and have a big downward influence on CPI inflation.

Nonetheless, the rise in services CPI inflation from 5.7% y/y in July to a 30-year high of 5.9% y/y in August suggests that domestic price pressures are showing little sign of abating. A lot of that is being

driven by the tight labour market and strong wage growth. CPI inflation is expected to peak close to 10.4% in November and, with the supply of workers set to remain unusually low, the tight labour market will keep underlying inflationary pressures strong until early next year.

During H1 2022, there has been a change of both Prime Minister and Chancellor. The new team (Liz Truss and Kwasi Kwarteng) have made a step change in government policy. The government's huge fiscal loosening from its proposed significant tax cuts will add to existing domestic inflationary pressures and will potentially leave a legacy of higher interest rates and public debt. Whilst the government's utility price freeze, which could cost up to £150bn (5.7% of GDP) over 2 years, will reduce peak inflation from 14.5% in January next year to 10.4% in November this year, the long list of tax measures announced at the "fiscal event" adds up to a loosening in fiscal policy relative to the previous government's plans of £44.8bn (1.8% of GDP) by 2026/27. These included the reversal of April's national insurance tax on 6th November, the cut in the basic rate of income tax from 20p to 19p in April 2023, the cancellation of next April's corporation tax rise, the cut to stamp duty and the removal of the 45p tax rate, although the 45p tax rate cut announcement has already been reversed.

Fears that the government has no fiscal anchor on the back of these announcements has meant that the pound has weakened again, adding further upward pressure to interest rates. Whilst the pound fell to a record low of \$1.035 on the Monday following the government's "fiscal event", it has since recovered to around \$1.12. That is due to hopes that the Bank of England will deliver a very big rise in interest rates at the policy meeting on 3rd November and the government will lay out a credible medium-term plan in the near term. This was originally expected as part of the fiscal statement on 23rd November but has subsequently been moved forward to an expected release date in October. Nevertheless, with concerns over a global recession growing, there are downside risks to the pound.

The MPC has now increased interest rates seven times in as many meetings in 2022 and has raised rates to their highest level since the Global Financial Crisis. Even so, coming after the Fed and ECB raised rates by 75 basis points (bps) in their most recent meetings, the Bank of England's latest 50 basis points hike looks relatively dovish. However, the UK's status as a large importer of commodities, which have jumped in price, means that households in the UK are now facing a much larger squeeze on their real incomes.

Since the fiscal event on 23rd September, we now expect the Monetary Policy Committee (MPC) to increase interest rates further and faster, from 2.25% currently to a peak of 5.00% in February 2023. The combination of the government's fiscal loosening, the tight labour market and sticky inflation expectations means we expect the MPC to raise interest rates by 100bps at the policy meetings in November (to 3.25%) and 75 basis points in December (to 4%) followed by further 50 basis point hikes in February and March (to 5.00%). Market expectations for what the MPC will do are volatile. If Bank Rate climbs to these levels the housing market looks very vulnerable, which is one reason why the peak in our forecast is lower than the peak of 5.50% - 5.75% priced into the financial markets at present.

Throughout 2022/23, gilt yields have been on an upward trend. They were initially caught up in the global surge in bond yields triggered by the surprisingly strong rise in CPI inflation in the US in May. The rises in two-year gilt yields (to a peak of 2.37% on 21st June) and 10-year yields (to a peak of 2.62%) took them to their highest level since 2008 and 2014 respectively. However, the upward trend was exceptionally sharply at the end of September as investors demanded a higher risk premium and expected faster and higher interest rate rises to offset the government's extraordinary fiscal stimulus plans. The 30-year gilt yield rose from 3.60% to 5.10% following the "fiscal event", which threatened financial stability by forcing pension funds to sell assets into a falling market to meet cash collateral requirements. In response, the Bank did two things. First, it postponed its plans to start selling some of its quantitative easing (QE) gilt holdings until 31st October. Second, it committed to buy up to £65bn of long-term gilts to "restore orderly market conditions" until 14th October. In other words, the Bank is restarting QE, although for financial stability reasons rather than monetary policy reasons.

Since the Bank's announcement on 28th September, the 30-year gilt yield has fallen back from 5.10% to 3.83%. The 2-year gilt yield dropped from 4.70% to 4.30% and the 10-year yield fell back from 4.55% to 4.09%.

There is a possibility that the Bank continues with QE at the long-end beyond 14th October or it decides to delay quantitative tightening beyond 31st October, even as it raises interest rates. So far at least, investors seem to have taken the Bank at its word that this is not a change in the direction of monetary policy nor a step towards monetary financing of the government's deficit. But instead, that it is a temporary intervention with financial stability in mind.

After a shaky start to the year, the S&P 500 and FTSE 100 climbed in the first half of Q2 2022/23 before falling to their lowest levels since November 2020 and July 2021 respectively. The S&P 500 is 7.2% below its level at the start of the quarter, whilst the FTSE 100 is 5.2% below it as the fall in the pound has boosted the value of overseas earnings in the index. The decline has, in part, been driven by the rise in global real yields and the resulting downward pressure on equity valuations as well as concerns over economic growth leading to a deterioration in investor risk appetite.

Our PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1st November 2012.

Interest rate forecasts

The Council has appointed Link Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

The latest forecast on 27th September sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy, whilst the government is providing a package of fiscal loosening to try and protect households and businesses from the ravages of ultra-high wholesale gas and electricity prices.

The increase in PWLB rates reflects a broad sell-off in sovereign bonds internationally but more so the disaffection investors have with the position of the UK public finances after September's "fiscal event". To that end, the MPC has tightened short-term interest rates with a view to trying to slow the economy sufficiently to keep the secondary effects of inflation – as measured by wage rises – under control, but its job is that much harder now.

Link Group Interest Rate View	27.09.22											
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
BANK RATE	4.00	5.00	5.00	5.00	4.50	4.00	3.75	3.25	3.00	2.75	2.75	2.50
3 month ave earnings	4.50	5.00	5.00	5.00	4.50	4.00	3.80	3.30	3.00	2.80	2.80	2.50
6 month ave earnings	4.70	5.20	5.10	5.00	4.60	4.10	3.90	3.40	3.10	3.00	2.90	2.60
12 month ave earnings	5.30	5.30	5.20	5.00	4.70	4.20	4.00	3.50	3.20	3.10	3.00	2.70
5 yr PWLB	5.00	4.90	4.70	4.50	4.20	3.90	3.70	3.50	3.40	3.30	3.20	3.20
10 yr PWLB	4.90	4.70	4.60	4.30	4.10	3.80	3.60	3.50	3.40	3.30	3.20	3.20
25 yr PWLB	5.10	4.90	4.80	4.50	4.30	4.10	3.90	3.70	3.60	3.60	3.50	3.40
50 yr PWLB	4.80	4.60	4.50	4.20	4.00	3.80	3.60	3.40	3.30	3.30	3.20	3.10

Subject:	Review of Revenue and Capital Budgets as at 30 September 2022
Corporate Director(s)/Director(s):	Clive Heaphy, Interim Corporate Director for Finance & Resources
Portfolio Holder(s):	Councillor Adele Williams, Deputy Leader and Portfolio Holder for Finance
Report author and contact details:	Debbie Middleton, Interim Director of Finance & Deputy S151 Officer Debbie.middleton@nottinghamcity.gov.uk
Other colleagues who have provided input:	Colleagues within Strategic Finance
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input checked="" type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input checked="" type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date:
Total value of the decision:	£16.4 million
Wards affected:	All
Date of consultation with Portfolio Holder(s):	
Relevant Council Plan Key Outcome:	
Clean and Connected Communities	<input checked="" type="checkbox"/>
Keeping Nottingham Working	<input checked="" type="checkbox"/>
Carbon Neutral by 2028	<input checked="" type="checkbox"/>
Safer Nottingham	<input checked="" type="checkbox"/>
Child-Friendly Nottingham	<input checked="" type="checkbox"/>
Healthy and Inclusive	<input checked="" type="checkbox"/>
Keeping Nottingham Moving	<input checked="" type="checkbox"/>
Improve the City Centre	<input checked="" type="checkbox"/>
Better Housing	<input checked="" type="checkbox"/>
Financial Stability	<input checked="" type="checkbox"/>
Serving People Well	<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<p>This report provides 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.</p> <p>The Council’s budget for 2022/23 was approved by Full Council on 7 March 2022.</p> <p>The 2022/23 net General Fund budget approved by Council was £227.6m. The Quarter 2 forecast is showing a forecast outturn of £239.1m, which is an £11.4m (5%) adverse variance to budget. This is an improvement of £2.5m compared to the Q1 forecast of £13.9m overspend. The significant variances are summarised below:</p> <p>with significant variances in:</p> <ul style="list-style-type: none"> • 2022/23 Pay inflation – the pay award for 2022/23 has now been agreed and is a flat rate of £1,925 for all pay points, this represents a £6.9m adverse variance to the budgeted assumption of 2%. 	

- Treasury Management **£5.1m** favourable due to increased investment income as a result of a combination of the revised cashflow position due to the forecast underspend on the capital programme and the recent interest rate increases that will earn higher returns on the Council's investments.
- Adults **£4.5m** adverse – largely due to adverse variances within net external care purchasing budgets
- Growth and City Development **£3.8m** adverse - **£1.7m** adverse variance in Strategic Homelessness from inflationary pressures and numbers for B&B and temporary accommodation. Adverse variance for Utilities of **£1.6m** taking account of the price cap information.
- Finance and Resources **£2.4m** adverse – largely due to previous budget savings which are now assessed as undeliverable
- **£2.0m** adverse variance following the HRA CIPFA review.
- The S151 officer commissioned a review of base budgets due to the significant outturn variances against budget in recent years that were not forecast, the outcome of this review has been to rebase some of the Directorate budgets with a reduction in the total of all directorate budgets being reduced by **£3.3m** which is being held within Corporate budgets and remains uncommitted at the end of Quarter 2. Further work to validate forecasts against in year budgets and actuals is being undertaken between Corporate Directors, their Budget Holders and Finance Officers on an iterative basis in order to improve the quality of budget monitoring information and robustness of financial forecasting.

The Council is committed to delivering its services within the approved budget and will require management action to identify mitigations for the adverse variances which are largely driven by inflationary and cost of living pressures, most notably resulting from the National Employers pay offer which is above the original budgetary provision due to inflationary drivers. In response to the projected overspend the S151 Officer has introduced a series of spending controls for the remainder of 2022/23. The impact of these spending controls will be reflected in the Quarter 3 forecast outturn report.

General Fund earmarked reserves as at 30 September 2022 of **£183.3m**, represents a reduction of **£7.1m** from the 31 March 2022 balance of **£190.4m**. This reduction is due to:

- previously approved MTFP decisions of a net drawdown from reserves of **£11.0m** for 2022/23 which is predominately in relation to **£15.0m** Business Rates and the mismatch in timing of receipt at the end of 2021/22 and planned usage of Government reliefs during 2022/23.
- a net transfer to reserves of **£3.8m** during Quarter 1, largely due to a transfer of **£4.0m** of Minimum Revenue Provision (MRP) overprovision to the Treasury Management Reserve in accordance with the Treasury Management Strategy 2017/18 (report to City Council 5 March 2018).
- a net transfer to reserves of **£0.1m** during Quarter 2, largely due to:
 - the transfer to reserves of **£1.8m** revenue budget for companies;
 - a drawdown from capital reserves of **£1.6m**;
 - a drawdown from the Financial Resilience reserve of **£0.2m**.

In line with the approved Reserves policy and in response to the projected outturn forecast the S151 Officer has commenced a detailed review of earmarked reserves, the outcomes of this review will be included within the Quarter 3 forecast outturn report.

It should be noted that any actual overspend at the end of 2022/23 would need to be funded from the Financial Resilience Reserve (FRR) and therefore it is necessary for the Council to have sufficient funds within the FRR to cover such an overspend position.

The HRA Quarter 2 forecast is showing a favourable variance of **£4.3m** (3.9%) against a gross budget of **£111.2m**, this is due to:

- a favourable income variance of **£1.4m** from a reduction in the bad debt provision of **£2.1m**, offset by an under recovery of income from solar panel rentals of **£0.7m**.
- favourable variance in expenditure of **£2.9m** largely due to;
 - a reduction in general fund recharges of **£1.0m**
 - a reduction in the charge from the General Fund for Public Realm services of **£1.0m** following the CIPFA review. The charge now reflects that there are fewer properties in the HRA due to the Right to Buy scheme.
 - a forecast underspend of **£0.6m** on staff budgets

The Capital Programme. Following a review of financial performance on the Capital Programme at Period 6 the forecast outturn is **£96.3m** compared to an approved budget of **£163.8m** an underspend/slippage of **£67.5m (41%)**. Further monitoring and due diligence on the progress of capital projects and expected outturn is required over the next quarter to P9 in order to further refine the forecast. The HRA Capital Programme has a forecast outturn of **£57.5m** against a budget of **£71.0m** an underspend/ slippage of **£13.5m (19%)**.

Does this report contain any information that is exempt from publication? No

Recommendation(s):

1 To note:

- a) The Quarter 2 2022/23 General Fund forecast adverse variance of **£11.4m** as set out in **Table 2**;
- b) The General Fund Directorate service variances and explanations as set out in **Table 3**;
- 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**;
- 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:

- a) The Quarter 2 2022/23 budget virements to move revenue resources totalling **£16.4m** as set out in **Appendix B**. 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.

1. Reasons for recommendations

- 1.1 This report forms a key part of formal General Fund Revenue, Capital and HRA monitoring against the 2022/23 budget.
- 1.2 The approval of budget virements is required by corporate financial procedures.
- 1.3 Throughout the report adverse budget variances are shown as a positive number and negative numbers represent a favourable budget variance.

2. Background (including outcomes of consultation)

2021/22 Draft Outturn Summary

- 2.1 Executive Board in July 2022 approved the draft 2021/22 outturn report which showed for the general fund revenue outturn:

- **£13.9m (5.7%)** favourable variance against a net budget of **£243.7m**.
- General fund earmarked reserves as at 31 March 2022 of **£190.4m** and reflected a drawdown of **£27.7m** to transfer funds from the General Fund to the HRA general reserve following the CIPFA review.
- The General Fund Balance stood at **£12.6m** as at 31 March 2022 in line with the MTFP.

2.2 Capital expenditure for 2021/22 of **£100.7m**, representing an **£81.1m (44.6%)** underspend against the original budget set at Executive Board February 2021 of **£181.8m**.

2.3 In 2021/22, the HRA returned a surplus of **£8.3m** against a budgeted deficit of **£0.2m**, resulting in a favourable variance of **£8.6m**. This was due mainly to:

- overprovision of bad debt of **£2.1m**,
- the reversal of the management fee overpayment of **£3.6m**
- the impact of the CIPFA review of **£2.4m**.

The HRA General Reserve balance increased from **£9.4m** to **£45.5m**, resulting from the 2021/22 surplus of **£8.3m** and **£27.7m** in respect of the ministerial Item 9 credit direction following the CIPFA review.

Reserves Policy

2.4 July 2022 Executive Board approved the Financial Reserves Policy and this report included details on the approval for movements in earmarked reserves, the report can be accessed via the following link:

<https://committee.nottinghamcity.gov.uk/documents/s136198/Financial%20Reserves%20Policy.pdf>

Quarter 1 2022/23 forecast outturn position

2.5 Executive Board in September 2022 noted the Quarter 1 2022/23 forecast outturn report, the General Fund at this time projected a **£13.2m (5.8%)** adverse variance. The drivers for this adverse variance were:

- Corporate **£7.2m** adverse – the forecast reflects the latest National Employers pay offer announced on 25 July 2022 of **£1,925** for all pay points. The budget assumed a **2%** pay award and therefore this has resulted in a **£6.9m** adverse variance
- Finance and Resources **£2.1m** adverse – largely due to previous budget savings which are now assessed as undeliverable.
- Growth and City Development **£1.8m** adverse - **£0.8m** adverse variance in Strategic Homelessness from inflationary pressures on nightly costs for B&B and temporary accommodation. Adverse budget variances from increased energy disposal costs, Broadmarsh rental income and contributions from Bridge Estate
- Resident Services **£0.9m** adverse – Community Protection **£0.7m** adverse due to adverse variances within Environmental Health & Licensing and Operations Parking Regulation and Compliance.

2.6 The S151 Officer has commissioned a review of the general fund base budgets following previous years outturn variances. The review has concluded and the Directorate base budgets have been adjusted as per **Table 1** below, this outcome of this review has been to leave a surplus budget in Corporate of **£3.3m**. This is assumed forecast as a favourable variance within the Quarter 2 report.

Table 1 : Budget adjustments applied at P6 relating to the rebasing exercise					
Directorate	Original Recommended Rebasing £m	Adjustment to Rebase* £m	Adjusted Rebasing Position £m	Rebasing (Adults to Childrens) £m***	Total Rebasing £m
Adults	(6.296)		(6.296)		(6.296)
Childrens	0.662		0.662	2.641	3.303
Education	0.200		0.200		0.200
Resident Services Growth & City Development	(1.072)	0.403	(0.669)		(0.669)
Finance & Resources	(0.253)		(0.253)		(0.253)
Corporate**	0.884	(0.341)	0.543		0.543
Companies	6.003	(0.062)	5.942	(2.641)	3.301
	(0.128)		(0.128)		(0.128)
Total	0.000	0.000	0.000	0.000	0.000

*duplication of & MTFP growth items for F&R & outstanding actions in Resident Services

**balance held corporately

***gross Adults reduction taken to Corporate in the first instance & then allocated to Children's for transparency

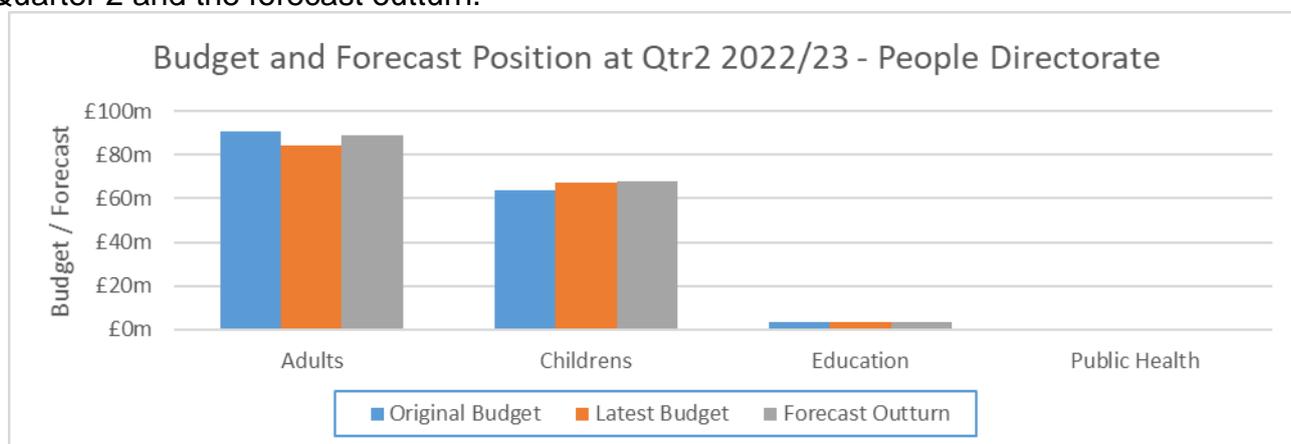
Report Presentation

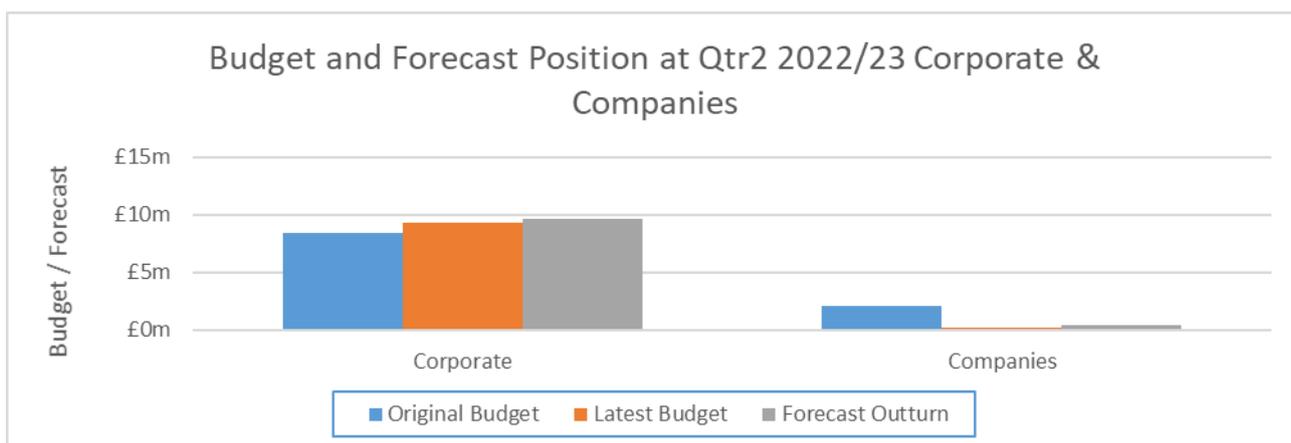
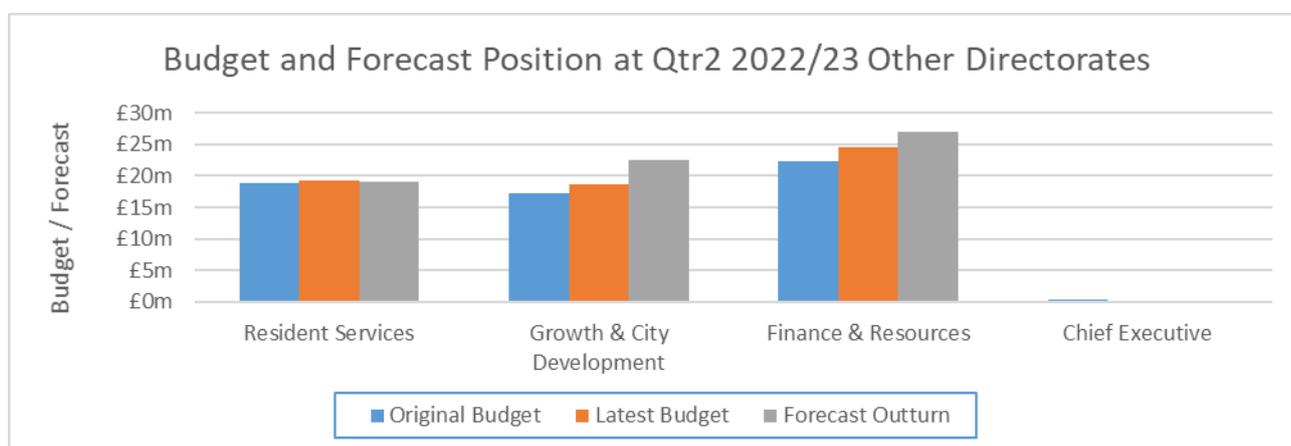
- 2.7 The format and information contained within budget monitoring and forecasting reports during 2022/23 is changing to reflect the improvements being made in the Council's financial management and reporting arrangements. Throughout 2022/23 we will pursue our journey of continuous improvement towards meeting the CIPFA Financial Management Standard. Management will refine processes and procedures to improve the quality of data, and gain a deeper understanding of the operational activity, costs and income that are driving the financial performance within service areas. This enhanced data set will enable more effective review and challenge in the overall management of the Council's finances to secure delivery within the approved budget.
3. **General Fund Revenue Budget – Qtr2 2022/23 budget monitoring and forecast outturn**
- 3.1 The General Fund budget and narratives are presented by Directorate with the alternative view by Portfolio contained within **Appendix A**.
- 3.2 The Quarter 2 position is a forecast outturn of **£239.1m** against an approved budget of **£227.6m** representing an adverse variance of **£11.4m (5%)**. **Table 2** summarises the original budget, revised budget at quarter 2 and forecast outturn by Directorate. The Quarter 1 forecast variance is also shown and the Quarter 2 variance column highlights the direction of travel (green is improving, red is worsening).

Table 2 : Quarter 2 2022/23 General Fund forecast outturn by Directorate					
Directorate	Original Budget 2022/23	Revised Budget as at Qtr2	Qtr2 Year-end forecast outturn	Qtr1 forecast variance to budget	Qtr2 forecast variance to budget
	£m	£m	£m	£m	£m
Adults Services	90.545	84.304	88.790	(0.210)	4.486
Children's Services	64.042	67.388	67.749	0.487	0.360
Education	3.414	3.623	3.456	0.623	(0.166)
Schools	0.000	0.039	0.039	-	-
Public Health	0.256	0.000	0.000	-	-
Resident Services	18.864	19.196	19.127	0.933	(0.069)
Growth & City Development	17.265	18.736	22.537	1.801	3.801
Finance & Resources	22.365	24.560	26.998	2.144	2.438
Chief Executive	0.406	0.277	0.277	-	-
Total Directorates	217.158	218.123	228.973	5.778	10.849
Corporate (excluding rebasing)	8.423	5.976	9.642	7.243	3.666
Rebase	0.000	3.301	0.000	-	(3.301)
Companies	2.069	0.250	0.450	0.200	0.200
Total	227.649	227.649	239.064	13.221	11.415

3.3 On 25 July the national employers made a 'final' 2022/23 offer of a flat rate of £1,925 for all pay points, this offer has now been agreed and an announcement made on 1 November 2022. The 2022/23 budget assumed a 2% pay award. The adverse impact to the general fund budget based on a high level assessment is **£6.9m** and has been included within the Corporate forecast since period 3. The 2022/23 pay award will be paid to colleagues in December and Directorate employees budgets will be updated in December to reflect the new pay scales.

3.4 The charts below show by Directorate for 2022/23 the original budget, latest budget as at Quarter 2 and the forecast outturn.





3.5 It is expected that Corporate Directors will seek to take mitigating actions to contain expenditure within the approved budget. Where pressures cannot be contained within a single directorate, the Corporate Leadership Team will explore those issues and agree how they will be managed within the overall approved General Fund Budget for the Council.

3.6 **Table 3** below sets out by Directorate the significant variances to budget.

Table 3 – Quarter 2 forecast outturn key variance explanations	
Directorate	Variance explanation
Adults £4.5m adverse	<ul style="list-style-type: none"> ○ External care purchasing / Universal services £4.1m adverse; £0.1m Northgate contract adverse; Savings £0.1m adverse; offset by favourable variances for Integrated Community Equipment Loan Service (£0.5m) and HRS/other contracts (£0.4m) ○ staffing / internal provision £0.4m adverse
Children's Services £0.4m adverse	<ul style="list-style-type: none"> ○ Children in Care £2.2m adverse <ul style="list-style-type: none"> ○ External placements £2.7m due to higher than budgeted weekly costs and increased number of placements ○ Other placements £0.3m favourable – favourable position for Fostering £0.5m due to low levels of recruitment offsetting £0.2m adverse position for Internal Residential & Semi-independent provision largely due to salary overspends ○ Other Children's Services £1.8m favourable largely due to significant staffing vacancies within these teams
Education £0.2m	<ul style="list-style-type: none"> ○ Adverse variance within Education Partnerships £0.3m due to increased commissioning costs

favourable	<ul style="list-style-type: none"> ○ favourable variance for Inclusive Learning £0.4m due to increase in budget following rebasing
Resident Services £0.1m favourable	<p><u>Community Protection £0.7m favourable.</u></p> <ul style="list-style-type: none"> ○ £1.2m favourable across Operations Parking Regulation & Compliance; Uniformed Services and Security Services due to improved income position & level of vacancies. ○ £0.4m adverse across Community Safety & Logistics and Environmental Health & Licensing due to unachieved historic saving and anticipated overspend regarding Crime & Drugs Partnership ongoing review <p><u>Neighbourhood Services £1.3m adverse</u></p> <ul style="list-style-type: none"> ○ £1.0m adverse impact of rebasing across the division; £0.3m inflationary pressures on fuel within Fleet; £0.1m adverse for Nottingham Catering due to food prices and closure of commercial outlets. Offset in part due to vacancies within Mechanical & Engineering £0.2m <p><u>Sport & Culture £0.7m favourable</u></p> <ul style="list-style-type: none"> ○ Sports & Leisure and Theatre Royal & Concert Hall £1.5m favourable due to continued improved post pandemic income achievement. ○ Markets - £0.5m adverse due to reduced rental income compared to budget assumptions ○ Museums - £0.3m adverse due to concession agreement with the Nottingham Castle Trust.
Growth & City Development £3.8m adverse variance	<ul style="list-style-type: none"> ○ Strategic Homelessness £1.7m adverse. Inflationary & cost of living pressures impacting nightly costs for B&B & temporary accommodation along with increased demand ○ Utilities £1.6m adverse. Forecast takes account of the price cap information (released in October) and therefore was not able to be included in previous forecast figures. ○ Strategic Assets & Property £0.9m favourable due to a £1.0m release from the review of the current bad debt allowance for Property ○ Traffic £0.6m adverse. Forecast income from recharging for use of Traffic officers time on capital projects much lower than budgeted. A corporate review to achieve a consistent approach for the correct recharge of time to capital projects across the Council is progressing. ○ Regeneration & Housing Partnerships £0.5m adverse. Costs for the Housing Partnership and Regeneration Teams that sit in the General Fund (GF) for 2022/23. The team was previously coded to the HRA with recharges to for GF work but that position is changing to show cost of GF team in the base budget. ○ Street Lighting £0.3m adverse due to withdrawal of the HRA contribution to fund lighting in designated areas.
Finance & Resources £2.4m adverse	<ul style="list-style-type: none"> ○ Finance & Resources Directorate £0.9m adverse largely due to undeliverable historic savings ○ Legal & Governance £0.2m adverse. Information Compliance due to increased needs of the service and additional resourcing requirement ○ Finance £0.2m adverse due to non-delivery of contract saving ○ Human Resources £0.2m adverse. Non-achievement of historic savings for school income and senior management support of £0.3m; Works Perks

	<p>£0.1m adverse reduced uptake in schemes due to working from home practices offset in part from reduced employee expenditure £0.1m</p> <ul style="list-style-type: none"> ○ Strategy & Policy £0.2m adverse. Labour recharge pressure not achievable and income shortfall in the Data Analytics Insight for School Improvement (DAISI) service ○ Commissioning & Procurement £0.1m adverse. Largely relates to an employee pressure in Contracting & Procurement ○ Customer Services £0.7m adverse. Revenues & Benefits £0.4m adverse due to non-delivery of previous savings and software costs; Welfare Rights £0.3m unachieved saving mitigated by vacancies; Customer £0.1m staffing & £0.1m software pressures offset by additional income £0.1m; Civic & Coronial £0.1m favourable due to additional income in Registrars.
Corporate £3.7m adverse	<ul style="list-style-type: none"> ○ £6.9m adverse budget variances resulting from the national employers pay offer of £1,925 for all grades. ○ £5.1m favourable variance in Treasury Management increased investment income due to rising interest rates and increased cash for investment due mainly to slippage on the capital programme. ○ £2.0m adverse due to removal of recharges to the HRA as a result of the CIPFA review. ○ £0.3m Pension Strain favourable based on prior year trend
Rebase £3.3m favourable	<ul style="list-style-type: none"> ○ The rebasing exercise has moved budget to the corporate centre where it will be held over the remainder of the financial year pending a review of directorate financial performance between P9 to P12. A net sum of £3.3m will be held uncommitted pending the review and will be available to offset directorate overspends as required. The gross re-base total of £6.0m has been reduced by the reallocation of £2.6m from Adults to Children's within the People Directorate which was decided upon prior to the rebasing exercise.
Companies £0.2m adverse	<ul style="list-style-type: none"> ○ The annual contribution to the National Ice Centre increases annually to reflect RPI increases in accordance with grant conditions. The 2022/23 budget is as per the original payment and doesn't include the cumulative increase.

- 3.7 Budget transfers between Directorates and/or Portfolios are reflected within the Monitoring figures. These budget virements totalling **£16.4m** require approval and are detailed in **Appendix B**. The Council's total net budget remains unchanged as a result of the virements.
- 3.8 As part of the financial management improvement activity, the Council is committed to monitoring savings delivery and emerging financial pressures separately. The current tracking covers all new savings and pressures included within the 2022/23 MTFP or any previous MTFP decisions where there was a change in the budget value between 2021/22 and 2022/23. Further improvements will be made in 2022/23 to include non-delivery of previous years legacy savings, the finance improvement programme will require directorates to detail these savings for future reports.
- 3.9 **Table 4** below shows a summary by directorate of the Quarter 2 forecast variance and compares this to the savings and pressures variances reported.

Table 4 : Q2 General Fund forecast variance, analysed by savings non delivery (new and historic), pressures, demand and service cost / income variances					
Directorate	Qtr2 forecast variance to budget	New 22/23 savings / pressure variance*	Historic budget undelivered / delayed Savings **	Service Demand (volume) variance	Service Cost/ income (per unit) variance
	£m	£m	£m	£m	£m
Adults***	4.486	0.098		1.917	2.471
Childrens	0.360	0.166	0.084	0.110	
Education	(0.166)	(0.026)		(0.141)	
Public Health					
Resident Services	(0.069)	0.233	1.089	(1.562)	0.171
Growth & City Development	3.801	0.532		1.691	1.578
Finance & Resources	2.438	1.570	1.655	(0.576)	(0.211)
Chief Executive					
Total Directorates	10.849	2.573	2.828	1.439	4.009
Corporate (excl. rebase)	3.666		2.046	(0.262)	1.882
Rebase	(3.301)				(3.301)
Companies	0.200		0.200		
Total	11.415	2.573	5.074	1.177	2.590

*These are savings / pressures that are either new to 22/23 or reflect a change to the previous year

** These are historical savings / pressures where there was no change in the 21/22 to 22/23 budget

***Base budget not constructed on volume / price model– the variance for external care purchasing has been notionally split across the volume/cost categories until the model has been further developed.

Transformation Budget Monitoring and Forecasting

- 3.10 The impact of the Transformation Programme is captured within the departmental monitoring reports. This report is to provide a 'spot light' on that activity to focus on the performance of the Transformation Programme.
- 3.11 This report focuses only upon the financial benefits from the Transformation Programme which is captured within the Medium-Term Financial Plan. The non-financial benefit monitoring is in development.
- 3.12 **Table 5** below shows the current forecast as Quarter 2 which is estimating a **shortfall of £0.5m due to the slippage in the Childrens programme as a result of delay mainly due to the OFSTED inspection.** The figures in **Table 5** reflect the net position in the MTFP; each programme has a gross requirement and a number of different assumptions/plans in the delivery of the MTFP position. These are reported through the Transformation Office and reflected in individual programme updates to the Senior Responsible Officers to ensure delivery.

Table 5: Quarter 2 Transformation Programme savings update					
	Original Budget	Budget as at Qtr2	Qtr2 forecast outturn	Qtr2 forecast variance	Variance %
	£m	£m	£m	£m	
Adults	(0.226)	(0.226)	(0.245)	(0.019)	(8.4)
Customer	(0.329)	(0.329)	(0.329)	0.000	0.0
Business Support	(0.340)	(0.340)	(0.340)	0.000	0.0
Childrens	(0.539)	(0.539)	(0.000)	0.539	100.0
Procurement	(0.031)	(0.031)	(0.031)	0.000	0.0
Total	(1.465)	(1.465)	(0.945)	0.520	35.5

Movement in earmarked reserves

3.13 Earmarked reserves are funds set aside for specific purposes (including Schools, Statutory reserves and Insurance and Private Finance Initiative (PFI) grants). All movements for Quarter 1 2022 have been approved by S151 / Deputy S151 Officer.

3.14 General Fund earmarked reserves as at 30 September 2022 of **£183.3m**, this represents a reduction of **£7.1m** from the 31 March 2022 balance of **£190.4m**. This reduction is due to:

- previously approved MTFP decisions of a net drawdown from reserves of **£11.0m** for 2022/23 which is predominately in relation to **£15.0m** Business Rates and the mismatch between timing of receipt and planned use of Government reliefs.
- a net transfer to reserves of **£3.8m** during Quarter 1, largely due to a transfer of **£4.0m** of MRP overprovision to the Treasury Management Reserve in accordance with the Treasury Management Strategy 2017/18 (report to City Council 5 March 2018).
- a net transfer to reserves of **£0.1m** during Quarter 2, largely due to
 - the transfer into reserves of **£1.8m** revenue budget for companies;
 - a drawdown from capital reserves of **£1.6m**;
 - a drawdown from the Financial Resilience Reserve **£0.2m**.

There has also been a review of Treasury Management reserves and the S151 Officer has approved the transfer of **£10.2m** to the Financial Resilience Reserve.

3.15 In line with the Reserves policy as approved by July 2022 Executive Board and in response to the projected outturn forecast the S151 has commenced a detailed review of earmarked reserves, the outcomes of this review will be included within the Quarter 3 forecast outturn report.

3.16 It should be noted that any actual overspend at the end of 2022/23 would need to be funded from the Financial Resilience Reserve (FRR) and therefore it is necessary for the Council to have sufficient funds within the FRR to cover such an overspend position.

Further details are contained within **Appendix C**.

4. Debtors Monitoring

4.1 Monitoring debtors is part of the overall assessment of the financial performance of the Council and supports good Governance and value for money. A summary of key indicators is set out below and in **Appendix D**. Page 89

Housing Rents

- 4.2 The in-year collection rate for Quarter 2 was **96.5%** which is an increase on the previous quarter and **0.3%** increase when compared to the same point last year. The arrears for Quarter 2 were **£4.1m** compared to **£3.9m** for the same period last year, an increase of **£0.2m**. Benchmarking across the sectors best practice groups show that all landlord are experiencing an increase in arrears due to a combination of factors notably the Cost of living crisis and debt repayments. The percentage of rent collected is **99.0%**. The current arrears as a % of rent debit stands at **3.6%** which is marginally higher by **0.02%** when compared to the same time last year.
- 4.3 Considering the circumstances in which we are operating with a Cost Of Living crisis our performance when compared to other landlords of a similar sized organisation within the benchmarking groups is better than the majority of those in the group.
- 4.4 We are not benefitting from the rollover of Discretionary Housing Payment (DHP) monies that we have benefitted from for the last 2 years as DHP applications are no longer rolled over. The funding for DHP has also reduced which means that a number of residents who rely on DHP to meet shortfalls in their housing costs may start to fall into arrears. NCH continues to work in partnership with NCC to deliver the Cost of living campaign and the Household support fund.

Council Tax

- 4.5 Collection at the end of Quarter 2 2022/23 was **51.1%**, which is a small increase on the equivalent time last year (**50.5%**) and above target. In monetary terms collection increased to **£83.4m** compared to **£78.8m** for the same period in financial year 2021/22. Net debt collectable over the two financial years has increased from **£157m** in 2021/22 to **£164m** in 2022/23.

National Non- Domestic Rates (NNDR)

- 4.6 Collection at the end of Quarter 2 2022/23 was **52.8%**, which is an increase of **8.9%** when compared to the equivalent period in 2021/22. Collection amounted to **£70.2m** compared to **£36.6m** for the same period in financial year 2021/22. Net debt collectable for this year has increased due to Retail Discount reducing from **66%** to **50%** from **£82.8m** in 2021/22 to **£132.8m** in 2022/23.

Sundry Income

- 4.7 The percentage of debts collected within 90 days in the 12 months to September 2022 is **81.0%**, which is an improvement the corresponding figure for 2021/22 of **74.9%** but below the target of **99%**.
The debtor day indicator (which shows how quickly debts are recovered) is currently 36 days which is below both the 32.3 day target and the 30 day figure for 2021/22.

Adult Residential Services

- 4.8 Quarter 2 collection is **97.4%**, in line with the target of **97.5%** but slightly below the corresponding figure for last year of **95.8%**.

Estate Rents

- 4.9 Quarter 2 collection was **97.6%**, which is above the target of **97.5%** and the corresponding figure for last year of **95.3%**.

5. Housing Revenue Account (HRA) Budget Monitoring and forecasting

- 5.1 The HRA is showing a favourable variance to the end of the financial year of **£4.3m**, against a gross budget of **£111.2m**. This represents a positive variance of **3.9%** of the budget. Should the **£4.3m** favourable variance remain in place until the end of the financial year, this surplus will be transferred to the HRA General reserve.
- 5.2 The main reasons for the **£4.3m** favourable variance are reported below and shown in **Table 6** with further detail at **Appendix E**.

Activity	Original Budget 2022/23	Revised Budget as at Period 6	Year End forecast	Year End forecast variance to budget	P5 forecast variance	Change in forecast	
	£m	£m	£m	£m	£m	£m	%
Rental Income	(101.348)	(101.348)	(102.790)	(1.442)	(1.442)	0.000	0.00
Service Charges & Other Income	(9.805)	(9.805)	(9.805)	0.000	0.000	0.000	0.00
Total Income	(111.153)	(111.153)	(112.595)	(1.442)	(1.442)	0.000	0.00
Repairs & Maintenance	27.873	27.873	27.873	0.000	0.000	0.000	0.00
Management Costs	34.043	34.043	31.164	(2.879)	(3.386)	0.506	1.49
Capital Charges	48.636	48.636	48.636	0.000	0.000	0.000	0.00
Direct Revenue Financing	0.600	0.600	0.600	0.000	0.000	0.000	0.00
Total Expenditure	111.153	111.153	108.273	(2.879)	(3.386)	0.506	0.46
Total HRA	0.000	0.000	(4.322)	(4.322)	(4.828)	0.506	0.46

5.3 Income £1.4m favourable

A reduction of bad debt provision of **£2.1m** offset by **£0.7m** shortfall of income forecast on PV solar panel rentals.

5.4 Expenditure £2.9m favourable

Removal of general fund recharges to the HRA of **£1.0m**; a reduced general fund charge of **£1.0m** for Public Realm following the CIPFA review and reflecting that there are fewer properties in the HRA due to the Right to Buy scheme; vacancy savings of **£0.6m** and a reduction of **£0.3m** in revenue costs that are ancillary to the capital programme.

6. Capital Programme Overview

- 6.1 This section of the report provides an update on the Council's 2022/23 Capital Programme performance together with a forecast over the period 2022 – 2027 based upon the Quarter 2 (30 September 2022) actual position and forecast. This includes a statement of the financing of expenditure. **Appendix F** provides further details.
- 6.2 Regular financial reporting of the capital programme is an essential component of good financial management to ensure capital spend is appropriately prioritised and controlled and sensible short, medium and long-term financing and treasury management decisions are made. This is particularly important during these current times of high inflationary pressures, supply chain bottlenecks and volatile and rising interest rates all of which can have significant adverse implications for both project delivery, affordability and value for money in relation to in-flight and planned **Page 10** projects.

- 6.3 Budgetary control reports for the Capital Programme are presented to the Executive Board on a quarterly basis. This report is the second in that series of reports and provides an update on which the approved projects will be delivered in line with approved budgets and project timelines. Where those expectations have changed, Members will be made aware of the reasons for that change and any subsequent implications for the project. In addition, the report highlights any subsequent changes in the financing of the programme.
- 6.4 The IAB has highlighted the need to strengthening financial management, project management, and control and reporting arrangements in relation to the Capital Programme within its Statement of Requirements. Additional resources have been onboarded within the Finance service during October in order to focus upon this task.
- 6.5 The Period 6 position has been reviewed and Finance has started work with project managers to focus initially to:
- Challenge the year end forecast in light of the actual spend at Period 6.
 - Provide more granular project delivery plans and spending profiles within year and over the life of each project
 - Assess project risks that will impact deliverability and cost and therefore affordability and value for money.
 - Optimise the financing arrangements for the programme
 - Provide a more reliable cashflow that will be used to better inform treasury management activity to make the Council's money work harder in terms of investment decisions.

Further improvements will be planned and incorporated into the Finance Improvement Plan required by the IAB and will be factored into future monitoring reports.

General Fund – Capital Programme Period 6 Position and Forecast

- 6.6 In March 2022, Full Council approved a total Capital Programme including planned schemes of **£153.9m** for 2022-23 and a total programme across all years 2022-2027 of **£260.0m**. Since that approval, the Council in Quarter 1 revised the Programme to take account of the 2021-22 capital outturn position in relation to slippage and revised profiling, resulting in an amended capital programme budget for 2022-23 of **£153.3m** at 30 June (Q1) .
- 6.7 During Quarter 2 there have been further capital budget additions approved for inclusion in the Programme resulting in a revised capital budget for 2022/23 of **£163.3m** an increase of **£10.0m**:

Table 7: General Fund Capital Programme Budget Movements					
Department & Directorate	Appx F1 Ref	2022/23			
		Original Budget £m	Quarter 1 Budget £m	Latest Approved Budget £m	Change £m
Adults Services					
Adult Social Care	A1	4.818	4.818	4.876	0.058
Children's Services					
Childrens Integrated Services		-	-	-	-
Education					
Education		1.841	2.771	2.771	-
Finance & Resources					
Finance		-	0.006	0.006	-
Legal	A2	-	-	0.020	0.020
IT		2.524	2.524	2.524	-
Growth & City Development					
Carbon Reduction, Energy & Sustainability	A3	15.306	15.306	20.782	5.476
Major Projects		76.021	77.924	77.924	-

Planning		23.279	23.157	23.157	-
Strategic Asset & Property	A4	0.980	1.280	2.182	0.902
Strategic Homelessness		-	-	-	-
Resident Services					
Community Protection		0.366	0.772	0.772	-
Neighbourhood Services	A5	14.722	8.254	11.766	3.512
Sport & Culture		6.994	10.448	10.448	-
Subtotal - Approved		146.851	147.260	157.228	9.968
Planned Schemes		7.040	6.086	6.086	-
TOTAL		153.891	153.346	163.314	9.968

6.8 Over half (**+£5.5m**) of the movement is aligned to the provision of additional external funding linked to carbon reduction and improving energy efficiency in private dwellings. The other main element is the acceleration in the profiling for vehicle acquisitions (**+£3.5m**) to better reflect the orders placed and supply chain issues. This has resulted in the future years' Scheme Programme 2023-2027 (both Approved and Planned schemes) reducing by **£2.5m** (net).

6.9 Following a review by Finance and Project Manager, the Quarter 2 position and forecast to 31 March 2023 is summarised in **Table 8** below. The forecast outturn for 2022/23 is **£96.3m** against the approved budget of **£153.9m**, an underspend of **£57.6m (37%)**.

Department & Directorate	Original Budget 22/23 £m	Latest Approved Budget 22/23 £m	P6 Forecast 22/23 £m	Variance to Latest Approved Budget		Spend to P6 £m	2022/23 Funding based on P6 Forecast				
				£m	%		Grant £m	PWLB £m	Reserves / DRF £m	Capital Receipt £m	Total 2022/23 £m
Adults Services	4.818	4.876	2.343	(2.533)	(52.57%)	0.957	(2.285)	-	(0.058)	-	(2.343)
Children's Services	-	-	-	-	0.00%	-	-	-	-	-	-
Education	1.841	2.771	3.603	0.832	45.19%	0.963	(3.927)	-	(0.039)	0.363	(3.603)
Finance & Resources	2.524	2.550	1.024	(1.526)	(60.46%)	0.087	-	-	(1.024)	-	(1.024)
Growth & City Development									-		-
Carbon Reduction, Energy & Sustainability	15.306	20.782	17.116	(3.666)	(23.95%)	4.573	(11.368)	(0.705)	(0.360)	(4.683)	(17.116)
Major Projects	76.021	77.924	29.563	(48.361)	(63.62%)	5.341	(28.964)	-	(0.599)	-	(29.563)
Planning	23.279	23.157	15.215	(7.942)	(34.12%)	2.000	(2.989)	(10.666)	(0.963)	(0.597)	(15.215)
Strategic Asset & Property	0.980	2.182	2.112	(0.070)	(7.14%)	0.400	(0.024)	(1.526)	(0.375)	(0.187)	(2.112)
Strategic Homelessness	-	-	0.050	0.050	100.00%	-	(0.050)	-	-	-	(0.050)
Resident Services									-		-
Community Protection	0.366	0.772	0.400	(0.372)	(101.64%)	-	-	-	(0.400)	-	(0.400)
Neighbourhood Services	14.722	11.766	13.974	2.208	15.00%	4.794	(6.723)	(0.657)	(0.266)	(6.328)	(13.974)
Sport & Culture	6.994	10.448	9.384	(1.064)	(15.21%)	0.849	(0.542)	(0.587)	(0.763)	(7.492)	(9.384)
Subtotal - Approved	146.851	157.228	94.784	(62.444)	(42.52%)	19.964	(56.872)	(14.141)	(4.847)	(18.924)	(94.784)
Planned Schemes	7.040	6.086	1.529	(4.557)	(64.73%)	-	-	-	-	(1.529)	(1.529)
TOTAL	153.891	163.314	96.313	(67.001)	(43.54%)	19.964	(56.872)	(14.141)	(4.847)	(20.453)	(96.313)

6.10 Actual expenditure to 30 September 2022 is **£20.0m**, which represents circa 20% of the full year forecast at the half year stage. It is considered that there is significant work still to do in order to deliver to the revised forecast of **£96.3m** over the remaining 6 month period. There will be a particular focus in light of the current economic challenges and a range of project and supply chain issues. The review identified a number of schemes that are complete and where savings against budget can be realised.

6.11 The revised capital programme forecast is a key driver in the management of the Council's cashflow via Treasury Management. This has enabled a revision of the forecast investment income to be produced in P6 together with an assessment of interest rate increase which will earn more revenue income over the course of the financial year. This is referenced as the **£5m favourable revenue variance** at para 4.3 and 4.7 within the corporate budget forecast. Further consideration will be given to measure that can be taken in relation to the management and control of the capital programme that could release further revenue resources to support the 2023/24 revenue position.

6.12 Based on the latest capital spend forecasts, the table below illustrates the impact of these forecasts on the associated funding profile from the Approved Budget as well as the overall requirement across each financing component for the period 2023/24 -2026/27.

Financing the General Fund Capital Programme 2022-2027

Scheme	2022/23 Approved Funding £m	2022/23 £m	2022/23 Variance £m	2023/24-2026/27 £m	2022/23-2026/27 Position £m
Original Budget		153.891		106.107	259.998
Quarter 1 Forecast Position		139.209		144.353	283.562
Quarter 2 Forecast Position		96.313		15.761	297.623
Resources Available					
Prudential Borrowing	(22.698)	(14.141)	8.557	(4.046)	(9.630)
Grants & Contributions	(106.739)	(56.872)	49.867	(147.762)	(154.767)
Internal Funds / Revenue	(7.138)	(4.847)	2.291	(10.358)	(12.914)
Secured Capital Receipts	(14.107)	(20.453)	(3.137)	0.000	(23.590)
Unsecured Capital Receipts	(3.209)	0.000		(39.144)	(39.144)
Total Resources	(153.891)	(96.313)	57.578	(201.310)	(240.045)

6.13 The financing statement in **Table 9** shows that in 2022/23:

- **Prudential borrowing** – the approved programme expected borrowing to account for 15% of financing (**£22.7m**), it is now forecast to be only **£14.1m**, a reduction of **£8.6m**.
- **Grants and Contributions** – the approved programme expected external funding to account for **£106.7m** (70%) of financing, it is now forecast to be only **£56.92m**, a reduction of nearly £50m.
- **Internal reserves / revenue contributions** – the approved programme expected internal funds to account for **£7.1m** (5%) of financing, it is now forecast to be only **£4.8m**, a reduction of **£2.2m**. This funding is currently being used to;
 - meet the development and refresh of the Council's ICT infrastructure and business application software to ensure it is both fit for purpose and fully embraces new ways of working and service delivery changes.
 - renew leisure equipment to ensure it meets service user needs and expectations
 - support key infrastructure schemes including the Nottingham Express Transit (NET), the Broadmarsh development and the new Central Library.

- **Secured Capital Receipts** - the approved programme expected Secured and Unsecured capital receipts to account for **£17.3m** (11%) of financing, it is now forecast to be **£20.5m**. The risk adjusted forecast of available capital receipts at the 31 March 2023 (after financing both relevant capital spend and transformation costs) is just over £10m. This is planned to be used to part finance the 2023/24 programme.

Housing Revenue Account (HRA) – Capital Programme Summary Position

- 6.14 The original capital programme approved by Full Council in March 2022, agreed a programme totalling **£71.0m** for 2022-23 and a total programme across all years 2022-2027 of **£230.9m**. Since that approval, the Council in Quarter 1 revised the Programme to take cognisance of the 2021-22 capital outturn position and other revisions to the programme or changes in forecast spend. To this end the amended capital programme for 2022-23 was **£235.4m** as at the end June 2022.
- 6.15 In Quarter 2 there has been two capital approvals totalling **£9.8m**. The main approval was in relation to Social Housing Decarbonisation Fund where **£6.5m** of HRA resources within the current programme was moved and allocated to this project as match funding for **£2.9m** of external grant (total project **£9.4m**). The other Quarter 2 approval was allocating **£0.4m** of new HRA resources for a project to bird proof solar panels on HRA dwellings.
- 6.16 Quarter 2 (end September 2022) financial monitoring has now been concluded and is highlighting further changes to the forecast position taken in Quarter 1. Overall, the reprofiled forecast shows an anticipated spend in 2022/23 of **£57.5m** which is a reduction of **£6.7m** when compared to the previous (Q1) forecast. This forecast is based on current spend of £16.9m (c29% of the latest forecast) and anticipated delivery to March 2023.

Financing the HRA Capital Programme 2022-2027

- 6.17 Based on the latest capital spend forecasts, the table below illustrates the impact of these forecasts in the associated funding profile from the Quarter 1 Forecast as well as the overall requirement across each financing component for the period 2023/24 -2026/27.

Table 10: Housing Revenue Account Capital Programme – Funding Position					
Scheme	2022/23 Approved Funding £m	2022/23 £m	2022/23 Variance £m	2023/24-2026/27 £m	Total
Original Budget		71.003		159.887	230.890
Quarter 1 Forecast Position		64.201		170.163	234.364
Quarter 2 Forecast Position		57.535		177.897	235.432
Forecast Resources					
Prudential Borrowing	(12.115)	(8.623)	3.492	(17.883)	(26.506)
Grants & Contributions	(8.158)	(6.115)	2.043	(3.303)	(9.418)
Internal / Major Repairs Reserve	(40.885)	(35.140)	5.745	(139.966)	(175.106)
Capital Receipts – RtB	(8.175)	(6.012)	2.163	(13.244)	(19.256)
Capital Receipts - HRA Other	(1.670)	(1.645)	0.025	(3.501)	(5.146)
Total Resources	(71.003)	(57.535)	13.468	(177.897)	(235.432)

- 6.18 The financing statement in **Table 10** shows that in 2022/23:

- **Prudential borrowing** – the approved programme expected borrowing to account for 17% of financing (£12.1m), it is now forecast to be only £8.6m, a reduction of £3.5m.
- **Grants and Contributions** – the approved programme expected external funding to account for £8.2m (11%) of financing, it is now forecast to be only £6.1m, a reduction of £2.1m.
- **Internal / Major Repairs Reserve** – the approved programme expected internal funds to account for £40.9m (58%) of financing, due to slippage in the dwelling repair / energy projects it is now forecast to be £35.1m a reduction of £5.8m. This funding is currently being used to;
 - Maintenance and improvements of existing housing stock
 - Match funding for Energy Schemes
- **Capital Receipts - RtB** – the approved programme expected to account for £8.2m (12%) of financing, it is now forecast to be £6.0m. The reduction is due to net slippage within the Building a Better Nottingham Programme.
- **Capital Receipts – HRA Other** – from the original budget this funding (£1.7m) has slightly decreased to period 6 (£1.6m).

Further details can be found at **Appendix F**

7. **Other options considered in making recommendations**

- 7.1 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.

8. **Consideration of Risk**

- 8.1 The forecasts contained within this report are based on a medium case scenario.

9. **Finance colleague comments (including implications and value for money/VAT)**

- 9.1 Finance implications appear throughout the report.

10. **Legal colleague comments**

The recommendations contained in this report raise no significant legal issues and are supported.

Malcolm R. Townroe – Director of Legal and Governance – 9 December 2022

11. **Other relevant comments**

- 11.1 Not applicable.

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

- 12.1 Not applicable

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

- 13.1 Not applicable

14. Regard to the NHS Constitution (If Applicable)

14.1 Not applicable

15. Equality Impact Assessment (EIA)

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

No

An EIA is not required because the report does not contain proposals for new or changing policies, services or functions.

16. Data Protection Impact Assessment (DPIA)

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

No

A DPIA is not required because there are no data protection implications

17. Carbon Impact Assessment (CIA)

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

No

A CIA is not required because the report does not contain proposals for new or changing policies, services or functions.

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

18.1 None

19. Published documents referred to in this report

19.1 Budget 2022/23 – 7 March 2022 Full Council

<https://committee.nottinghamcity.gov.uk/documents/s131723/Budget%20202223.pdf>

19.2 Pre-audit Corporate Financial Outturn 2021/22 – 19 July 2022 Executive Board

<https://committee.nottinghamcity.gov.uk/documents/s136213/Pre-Audit%20Corporate%20Financial%20Outturn%202021-22.pdf>

19.3 Financial Reserves Policy – 19 July 2022 Executive Board

<https://committee.nottinghamcity.gov.uk/documents/s136198/Financial%20Reserves%20Policy.pdf>

19.4 Review of Revenue and Capital Budgets as at 30 June 2022 – 20 September 2022 Executive Board

<https://committee.nottinghamcity.gov.uk/documents/s137838/Review%20of%20Revenue%20and%20Capital%20Budgets%20as%20at%2030%20June%202022%20Quarter%201.pdf>

Budget Monitoring 2022/23 – as at 30 September 2022 by Portfolio

Portfolio	Original Budget £m	Budget as at Qtr2 £m	Qtr2 forecast outturn £m	Qtr2 forecast variance to budget £m
Adult Social Care & Health	90.801	84.304	88.790	4.486
Children, Young People & Schools	66.266	69.859	70.053	0.194
Energy, Environment & Waste Services	20.939	21.433	22.999	1.567
Finance	11.685	13.612	15.565	1.953
Highways, Transport & Parks	4.443	4.466	6.002	1.536
Housing & Human Resources	15.031	14.606	16.568	1.961
Leisure, Culture & Planning	6.234	6.647	5.899	(0.748)
Neighbourhoods, Safety & Inclusion	10.765	10.563	9.900	(0.663)
Skills, Growth & Economic Development	1.092	1.470	2.330	0.859
Strategic Regeneration & Communications	(10.098)	(8.837)	(9.134)	(0.296)
Total Portfolios	217.158	218.123	228.973	10.849
Companies	2.069	0.250	0.450	0.200
Corporate	8.423	9.277	9.642	0.365
Total	227.649	227.649	239.064	11.415

Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Employee budget realignment between Catering and Sports & Leisure	0.015	within RS		Finance	LCP
Utilities Realignment	0.039	GCD	P	EE&W	ASCH
	0.194	within GCD		EE&W	HTP
	0.001	GCD	RS	EE&W	HTP
	0.006	within GCD		EE&W	CYPS
	0.051	GCD	P	EE&W	CYPS
	0.049	GCD	RS	EE&W	NSI
	0.003	GCD	FR	EE&W	HHR
	0.034	GCD	RS	EE&W	LCP
	0.121	within GCD		EE&W	SRC
	0.001	GCD	RS	EE&W	SRC
	0.016	RS	P	HTP	ASCH
	Budget Rebasing	6.296	P	Corporate	ASCH
0.192		RS	Corporate	HTP	Finance
0.097		RS	Corporate	NSI	Finance
0.483		GCD	Corporate	HHR	Finance
0.761		RS	Corporate	SRC	Finance
0.011		GCD	Corporate	SG&ED	Finance
0.062		GCD	Corporate	within Finance	
0.856		Corporate	P	Finance	CYPS
0.415		Corporate	FR	within Finance	
0.006		Corporate	P	Finance	HHR
0.381		Corporate	RS	Finance	LCP
0.303		Corporate	GCD	Finance	SRC

Details	Net Amount £m	Department		Portfolio	
		From	To	From	To
Budget Rebasing (Adults to Childrens)	2.641	Corporate	P	Finance	CYPS
Realignment between Main Operational Buildings & Parking Services	1.200	RS	GCD	HTP	SRC
	0.011	within RS		HTP	SRC
HRA CIPFA Review	0.976	Corporate	RS	Finance	EE&W
	0.700	Corporate	FR	within Finance	
	0.046	Corporate	GCD	Finance	LCP
	0.041	Corporate	RS	Finance	SRC
	0.283	Corporate	FR	Finance	SG&ED
Prudential Borrowing Technical Adjustment	0.039	GCD	Corporate	within Finance	
	0.068	GCD	Corporate	SRC	Finance
	16.397				

Department	Key	Portfolio	Key
People	P	Adult Social Care & Health	ASCH
Resident Services	RS	Highways, Transport & Parks	HTP
Chief Executive	CX	Energy, Environment & Waste Services	EE&W
Growth & City Development	GCD	Children, Young People & Schools	CYPS
Finance & Resources	FR	Neighbourhoods, Safety & Inclusion	NSI
Housing Revenue Account	HRA	Finance	Finance
		Housing & Human Resources	HHR
		Leisure, Culture & Planning	LCP
		Strategic Regeneration & Communications	SRC
		Skills, Growth & Economic Development	SG&ED

Title of Reserve	Balance 31	Balance 30	Movement
	March	September	
	2022	2022	
	£m	£m	£m
Invest to Save Energy Park	(0.248)	(0.248)	0.000
Castle Project Team Trans Funding	(0.443)	(0.363)	0.080
Revenue Implications of Capital Schemes	(0.640)	(1.950)	(1.310)
Rev Reserves for Capital	(0.983)	(1.927)	(0.944)
Capital Risk Reserve	(1.868)	(1.868)	0.000
Flexible Fitness Equipment	(1.490)	(1.490)	0.000
Allotment Improvement	(0.086)	(0.086)	0.000
Total Capital	(5.757)	(7.932)	(2.174)
Schools Building Maintenance	(0.113)	(0.112)	0.001
Other Balances	(15.011)	(14.972)	0.039
SSR - School Balances	(8.702)	(8.703)	(0.001)
Total Schools	(23.826)	(23.787)	0.038
St Anns Valley JSC	(0.447)	(0.447)	0.000
BSF Bigwood & Oakfield PFI	(4.903)	(4.903)	0.000
PFI Life Cycle	(3.216)	(3.216)	0.000
Street Lighting PFI	(9.515)	(9.516)	(0.001)
Farnborough PFI Project	(2.988)	(2.989)	(0.001)
NHS Local Imp Finance (LIFT)	(7.742)	(7.742)	0.000
NHS LIFT (Bulwell)	(4.192)	(4.191)	0.001
NET City Reserve Fund	(16.945)	(16.101)	0.844
Total Private Finance Initiatives	(49.948)	(49.105)	0.843
LTA - Contribution Sinking Fund	(0.232)	(0.232)	0.000
Investment Property Maintenance Fund	(0.614)	(0.614)	0.000
Theatre & RCH Restoration Levy	(0.737)	(0.737)	0.000
Forest Rec Ground Sinking Fund	(0.261)	(0.261)	0.000
Mercury Filtr & Environmt	(0.106)	(0.106)	0.000
Ice Centre Sinking Fund	(0.834)	(0.835)	(0.001)
Southglade Food Park Sinking Fund	(0.199)	(0.198)	0.001
Southglade Food Park Phase 2	(0.187)	(0.187)	0.000
Southglade Football Pitch Sinking Fund	(0.481)	(0.481)	0.000
Broad Marsh CP&BS Lifecycle Sinking Fund	(0.158)	(0.347)	(0.189)
Total Asset Maintenance	(3.809)	(3.998)	(0.189)
Insurance Reserve	(3.919)	(3.919)	0.000
Housing Benefits	(4.615)	(4.615)	0.000
Collection Fund & Business Rates (excluding 22/23 planned usage)	(9.994)	(10.600)	(0.606)
Collection Fund & Business Rates (22/23 planned usage)	(15.647)	0.000	15.647
Resilience Reserve	(6.554)	(18.364)	(11.810)
Total Contingency & Risk	(40.729)	(37.498)	3.231
IT Investment Fund	(8.848)	(10.022)	(1.174)
Total Information Technology	(8.848)	(10.022)	(1.174)
Jobs Fund	(0.589)	(0.589)	0.000
Procurement Levy	(0.306)	(0.286)	0.020
Employer Hub Innovation Fund	(1.031)	(1.031)	0.000
Nottingham Investment Fund	(1.069)	(1.068)	0.001

Nottm Growth Plan 2015-18	(0.135)	(0.136)	(0.001)
ERDF Growth Hub	(0.125)	(0.125)	0.000
Growth Fund	(0.168)	(0.092)	0.076
Carrington Townsc Jul15EB	(0.109)	(0.109)	0.000
Total Local Economy	(3.532)	(3.436)	0.096
Bequest/Misc Funds - Heroism	(0.005)	(0.005)	0.000
Flood Risk Management	(0.656)	(0.656)	0.000
Selective Licensing - Non Recoverable	(0.325)	(0.325)	0.000
Add Licensing Scheme Non Recoverable	(0.039)	(0.040)	(0.001)
Selective Licensing Fee Income	(3.184)	(3.183)	0.001
HMO Mandatory Licensing	(0.149)	(0.149)	0.000
Leicester Bus Lane Enforcement	(0.964)	(0.964)	0.000
ASC Contingency	(0.096)	(0.096)	0.000
Bequest/Misc Funds - FT Perry	(0.007)	(0.007)	0.000
Museum Projects & Collections	(0.034)	(0.019)	0.015
Archaeology Fund	(0.011)	(0.011)	0.000
Wollaton Hall Development Fund	(0.014)	(0.014)	0.000
Newstead Abbey Development Fund	(0.061)	(0.061)	0.000
Proceeds of Crime	(0.091)	(0.091)	0.000
The Nottingham Education Trust	(0.021)	(0.021)	0.000
East Midlands Council	(0.615)	(0.615)	0.000
Holiday Activity Fund	(0.090)	(0.090)	0.000
Children & Adults Safeguarding Board	(0.041)	(0.041)	0.000
Moving Traffic Enforcement	(1.409)	(1.409)	0.000
Enviroenergy	(2.431)	(2.431)	0.000
SALIX - Energy Savings Fund	0.394	0.394	0.000
Local Plan	(0.301)	(0.301)	0.000
ERDF Sneinton Market	(0.678)	(0.678)	0.000
ERDF Dakeyne Street	(0.388)	(0.389)	(0.001)
Future Parks Accelerator Funding	(0.242)	(0.242)	0.000
Hackney Carriages	(0.194)	(0.194)	0.000
Civil Penalties	(0.170)	(0.170)	0.000
Local Government Elections	(0.392)	(0.392)	0.000
Area Committees	(0.041)	(0.041)	0.000
HAZ Delivery Plan	(0.114)	(0.114)	0.000
Adult Social Care S117 Aftercare	(0.500)	(0.500)	0.000
Total Services	(12.869)	(12.855)	0.014
Public Health Transition	(2.001)	(2.001)	0.000
SEND Keyworker Service Reserve	(0.333)	(0.333)	0.000
Treasury Management MRP Transformation of Services	1.578	(2.446)	(4.024)
Transformation	(6.137)	(6.136)	0.001
Fit for the Future	(0.740)	(0.575)	0.165
Total Transformation	(7.633)	(11.491)	(3.858)
Treasury Management Reserve	(15.418)	(15.418)	0.000
Treasury Management/Capital	(4.370)	0.000	4.370
Capital Program Dept Prudential Borrowing Reserve	(5.851)	0.000	5.851
Total Treasury Management	(25.639)	(15.418)	10.221
Workforce Reserve	(5.221)	(5.221)	0.000
Pension Deficit Lump Sum	(2.555)	(2.555)	0.000
Total Workforce	(7.776)	(7.776)	0.000
Total Earmarked Reserves	(190.366)	(183.318)	7.048

Quarter 2 2022/23 movement in Earmarked reserves

Reserve Category	Reserve Name	Details of Transfer	Reserve Replenishment £m	Use of Reserves £m	Total £m
Treasury Management	Treasury Management/Capital	S151 review of reserves - release to Financial Resilience reserve		4.370	4.370
	Capital Programme Departmental Prudential Borrowing	S151 review of reserves - release to Financial Resilience reserve		5.851	5.851
		sub-total Treasury Management		10.221	10.221
Capital	Revenue Reserves for Capital	Libraries Connect Culture Arts Council England project - match funding required	(0.010)		(0.010)
	Castle Development	Celebration events for the Queens Platinum Jubilee agreed at CLT		0.080	0.080
	Revenue Implications of Capital Schemes	In year expenditure		1.478	1.478
		sub-total Capital	(0.010)	1.558	1.548
Local Economy	Procurement Levy	In year expenditure		0.020	0.020
	Growth Fund	In year expenditure in accordance with Delegated Decision 3849		0.076	0.076
		sub-total Local Economy	0.000	0.096	0.096
Contingency & Risk	Financial Resilience	S151 review of reserves. From Treasury Management reserve	(4.370)		(4.370)
		S151 review of reserves. From Prudential borrowing reserve	(5.851)		(5.851)
		S151 review of corporate budgets	(1.819)		(1.819)
		Devolution Support		0.100	0.100
		sub-total Contingency & Risk	(12.040)	0.100	(11.940)
Total			(12.050)	11.975	(0.075)

Quarter 2 2022/23 Debtors Monitoring

Quarterly Performance Review - 2022-23		Q1	Q2
BVPI 66a - Housing Rent Collection (%) <i>(cumulative - current tenants only)</i>			
<i>(arrears + debit)</i>	Actual	95.03	96.51
	Target	98.50	98.50
Last Year Actual 2021-22		95.77	96.25
BVPI 9 - Council Tax Collection (%)			
<i>(in year cumulative)</i>	Actual	26.11	51.10
	Target	25.60	49.90
Last Year Actual 2021-22		26.20	50.50
BVPI 10 - NDR Collection (%)			
<i>(in year cumulative)</i>	Actual	28.89	52.83
	Target	28.50	55.50
Last Year Actual 2021-22		26.65	43.91
Sundry Income Collection (%)			
<i>(12 month rolling average)</i>	Actual	81.00	81.00
	Target	99.00	99.00
Last Year Actual 2021-22		74.50	74.90
Sundry Income Debtor Days -General			
<i>(12 month rolling average)</i>	Actual	37.00	36.00
	Target	32.30	32.30
Last Year Actual 2021-22		37.00	30.00
Estates Rents Collection (%)			
<i>(12 month rolling average)</i>	Actual	96.67	97.63
	Target	97.50	97.50
Last Year Actual 2021-22		94.60	95.27
Adult Residential Services Collection (%)			
<i>(12 month rolling average)</i>	Actual	97.50	97.44
	Target	97.50	97.50
Last Year Actual 2021-22		97.60	97.80

Quarter 2 HRA forecast outturn variance

HRA £4.3m favourable

Movement on the Bad Debt Provision £2.1m favourable

The bad debt provision has been reduced by **£2.1m**, this gives a revised increase for the year of **£0.1m**, which will take the total provision to **£6.4m**. The provision was previously increased for the full potential impacts of Universal Credit and the pandemic, however the most recent reviews indicate the scale of this provision can now be reduced.

This budget will be reviewed and reset for the 2023/24 financial year, taking into account likely economic conditions as well as the write off and bad debt policies of Nottingham City Council.

Non-Dwelling Rents £0.7m adverse

The overspend of **£0.7m** is due to the under recovery of income from PV solar panel rentals, efforts are underway to recruit additional staff to increase the levels of recovery.

Retained Housing Functions £1.8m favourable

Removal of the contribution towards Welfare Rights of **£0.3m** by the General Fund following the CIPFA review of the HRA. This has been forecast at zero until further information can be gathered to support this charge.

£0.2m removal of recharges formerly paid to the General Fund in respect improved collection rates of PV income tariff and pest control, following the CIPFA review.

There is a favourable variance of **£0.3m** within the revenue costs that are ancillary to the capital programme. This figure is an estimate based on actual movements in 2021/22.

There is a reduction in the charge from the General Fund for Public Realm services of **£1.0m** following the CIPFA review. The charge now reflects that there are fewer properties in the HRA due to the Right to Buy scheme.

Housing Development £1.6m favourable

Removal of **£0.5m** Corporate and Democratic Core recharge by the General Fund following the CIPFA review of the HRA. This is now forecast at zero until further evidence to support the charge can be compiled.

Vacancy savings of **£0.6m**, due to posts being held vacant until the new structure has been approved and in order to facilitate absorption of Nottingham City Homes employees under TUPE.

In 2022/23 there is a newly instituted recharge of **£0.5m** to the General Fund reflecting the mix of work activity of the staff members in this budget. These employees spend a significant proportion of their time on GF issues, although they have always been charged to the HRA. An analysis of staff activity was undertaken to determine the split, as a continuation of the work begun with the CIPFA and Penn reviews and the findings show that approximately 55% of the teams' time relates to the GF.

Public Realm £0.3m favourable

This is due to the ending of the Street Lighting charge as a result of the CIPFA review

Transition Team £0.8m adverse

Forecast for Housing Delivery transition team costs is **£0.8m**.

Detailed breakdown of the HRA budget and forecast

Quarter2 Forecast Outturn Position April - September 2022				
Housing Directorate	Original Budget	Revised Budget At Period 6	Year End Forecast	Year End Forecast Variance To Budget
	£m	£m	£m	£m
Dwelling Rents	(101.092)	(101.092)	(101.092)	0.000
Bad Debt Provision	2.213	2.213	0.100	(2.113)
Service Charges	(9.552)	(9.552)	(9.552)	0.000
Non-Dwelling Rents	(2.469)	(2.469)	(1.798)	0.671
Interest Received	(0.031)	(0.031)	(0.031)	0.000
Other Income	(0.222)	(0.222)	(0.222)	0.000
Total Income	(111.153)	(111.153)	(112.595)	(1.442)
Repairs & Maintenance	27.873	27.873	27.873	0.000
Management Fee	21.553	21.553	21.553	0.000
Tenant Incentive Scheme	0.500	0.500	0.500	0.000
Public Realm	3.164	3.164	2.870	(0.294)
CCTV	1.501	1.501	1.501	0.000
Retained Housing Functions	3.090	3.090	1.357	(1.733)
HRA Shops	(0.546)	(0.546)	(0.546)	0.001
Housing Development	2.443	2.443	1.076	(1.367)
Housing Partnership	0.996	0.996	0.760	(0.236)
Depreciation	31.968	31.968	31.968	0.000
Capital Charges	16.668	16.668	16.668	0.000
DRF	0.600	0.600	0.600	0.000
Working Balance Surplus	1.342	1.342	1.342	0.000
Housing Delivery Transition Project	0.000	0.000	0.750	0.750
Total Expenditure	111.153	111.153	108.273	(2.879)
Housing Total	0.000	0.000	(4.322)	(4.322)

Appendix F.1 – General Fund Capital Programme - Budget Movement (Quarter 1 to Quarter 2)

Department & Directorate	Ref	2022/23				2023/24-2026/27			
		Original Budget £m	Quarter 1 Budget £m	Latest Approved Budget £m	Change £m	Original Budget £m	Quarter 1 Budget £m	Latest Approved Budget £m	Change £m
Adults Services									
Adult Social Care	A1	4.818	4.818	4.876	0.058	11.074	11.074	11.074	-
Children's Services									
Childrens Integrated Services		-	-	-	-	-	-	-	-
Education									
Education		1.841	2.771	2.771	-	-	0.100	0.100	-
Finance & Resources									
Finance		-	0.006	0.006	-	-	0.178	0.178	-
Legal	A2	-	-	0.020	0.020	-	-	0.130	0.130
IT		2.524	2.524	2.524	-	2.212	2.212	2.212	-
Growth & City Development									
Carbon Reduction, Energy & Sustainability	A3	15.306	15.306	20.782	5.476	17.953	17.953	17.953	-
Major Projects		76.021	77.924	77.924	-	9.780	16.675	16.675	-
Planning		23.279	23.157	23.157	-	11.556	11.556	11.556	-
Strategic Asset & Property	A4	0.980	1.280	2.182	0.902	-	0.254	0.569	0.315
Strategic Homelessness		-	-	-	-	-	-	-	-
Resident Services									
Community Protection		0.366	0.772	0.772	-	-	-	-	-
Neighbourhood Services	A5	8.216	8.254	11.766	3.512	13.200	13.304	10.160	(3.144)
Sport & Culture		6.994	10.448	10.448	-	0.600	2.716	2.907	0.191
Subtotal - Approved		140.345	147.260	157.228	9.968	66.375	76.022	73.514	(2.508)
Planned Schemes		7.040	6.086	6.086	-	34.757	29.662	29.662	-
TOTAL		147.385	153.346	163.314	9.968	101.132	105.684	103.176	(2.508)

Appendix F.2 – Capital Budget Detail Movements

Ref	Directorate	2022/23 Qtr2 Approvals £m	Detail
A1	Adult Social Care	0.058	£0.058m – Smartphone Purchase Purchase of smartphones for the Adult Social Care Assessment Team. Funded by Council revenue reserves
A2	Legal	0.020	£0.150m – Legal Case System. Approved to be funded from the Council's reserve set aside for IT schemes.
A3	Carbon Reduction, Energy & Sustainability	5.476	£5.100m – Sustainable Warmth (LAD3 & HUG1). Energy efficiency works to private houses funded by external grant.
			£0.335m – Green Homes Private Homes. Reallocation from the HRA Capital Programme due to level of match funding (i.e. value for money) and deliverability. This approval is entirely funded by external grant.
			£0.041m – Warm Homes Fund. Energy efficiency works to private homes funded by external grant.
A4	Strategic Property	0.902	£0.787m – Broadmarsh Car Park Reversal of previously declared underspend due to snagging / retention risks. Funded by borrowing per original approval and Voluntary Debt Reduction Policy.
			£0.430m – Demolition of Elms Primary School Demolition of former Elms Primary School prior to disposal due to health and safety concerns. Project is funded by capital receipts.
A5	Neighbourhood Services	3.512	£0.000 – Vehicle Replacement Programme The overall project has not increased but spend has been accelerated by £3.5m into 2022/23 due to fleet requirements. Budget has been amended accordingly.
			(£0.060m) – ERDF Blue Green Infrastructure / Woodland and Wetland Project budget has been amended to align with the reallocation of ERDF grant from Blue Green Infrastructure projects to Woodland and Wetland projects.

Appendix F.1 – General Fund Capital Forecast Movements

Department & Directorate	2022/23					2023/24-2026/27			
	Original Budget £m	Latest Approved Budget £m	Quarter 1 Forecast £m	Current Forecast £m	Change £m	Latest Approved Budget £m	Quarter 1 Forecast £m	Current Forecast £m	Change £m
Adults Services									
Adult Social Care	4.818	4.876	3.961	2.343	(1.618)	11.074	12.074	13.749	1.675
Children's Services									
Childrens Integrated Services	-	-	-	-	-	-	0.078	0.078	-
Education									
Education	1.841	2.771	3.656	3.603	(0.053)	0.100	0.180	0.792	0.612
Finance & Resources									
Finance	-	0.006	0.149	0.006	(0.143)	0.178	-	0.178	0.178
Legal	-	0.020	-	0.020	0.020	0.130	-	0.130	0.130
IT	2.524	2.524	2.236	0.998	(1.238)	2.212	2.958	4.356	1.398
Growth & City Development									
Carbon Reduction, Energy & Sustainability	15.306	20.782	20.992	17.116	(3.876)	17.953	18.117	24.380	6.263
Major Projects	76.021	77.924	51.455	29.564	(21.891)	16.675	48.519	81.910	33.391
Planning	23.279	23.157	23.933	15.215	(8.718)	28.231	15.041	17.618	2.577
Property									
Strategic Homelessness	0.980	2.182	1.778	2.112	0.334	0.569	0.125	0.675	0.550
Resident Services									
Community Protection	-	-	0.050	0.050	-	-	0.087	0.087	-
Neighbourhood Services	0.366	0.772	0.582	0.400	(0.182)	-	-	0.182	0.182
Sport & Culture	14.722	11.766	16.072	13.974	(2.098)	15.160	21.081	22.540	1.459
Sport & Culture	6.994	10.448	10.052	9.384	(0.668)	2.907	3.200	4.419	1.219
Subtotal - Approved	146.851	157.228	134.916	94.785	(40.131)	95.189	121.460	171.094	49.634
Planned Schemes	7.040	6.086	4.293	1.529	(2.764)	29.662	22.893	30.216	7.323
TOTAL	153.891	163.314	139.209	96.314	(42.895)	124.851	144.353	201.310	56.957

This page is intentionally left blank

Subject:	Joint Carers Strategy – Nottingham City and Nottinghamshire County, Health and Social Care.	
Corporate Director(s)/Director(s):	Catherine Underwood, Corporate Director – People Katy Ball, Director of Commissioning and Partnerships	
Portfolio Holder(s):	Councillor Linda Woodings, Portfolio Holder, Adults and Health	
Report author and contact details:	Lisa Lopez, Public Health Commissioning Lead, lisa.lopez@nottinghamcity.gov.uk	
Other colleagues who have provided input:	Karla Banfield, Commissioning and Market Services Manager, Nottingham City Council Charlotte Dodds, Commissioning Officer, Nottingham City Council Anna Oliver, Commissioning Manager Ageing Well, Nottinghamshire County Council Sarah Wells, Commissioning Officer Ageing Well, Nottinghamshire County Council Naomi Robinson, Joint Commissioning Manager, Nottingham and Nottinghamshire Integrated Care Board (ICB) Lucy Gally, Strategic Programmes Project Manager, Nottingham and Nottinghamshire Integrated Care Board (ICB)	
Subject to call-in:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Key Decision:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Criteria for Key Decision:		
(a) <input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision		
and/or		
(b) Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No		
Type of expenditure:	<input type="checkbox"/> Revenue <input type="checkbox"/> Capital	No direct expenditure
If Capital, provide the date considered by Capital Board Date:		
Total value of the decision: Not applicable		
Wards affected: All		
Date of consultation with Portfolio Holder(s): 14/12/2022		
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 checked="" 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 type="checkbox"/>	
Summary of issues (including benefits to citizens/service users):		
Carers have a vitally important role in society, providing thousands of hours of unpaid care to their family members, neighbours and friends. Carers are Nottingham City's largest form of early intervention, supporting some of our most vulnerable citizens and preventing the people they care for from requiring greater degrees of health and social care support. Carers' quality of life can be improved through early identification, assessment and support. By supporting carers we can also improve quality of life for cared-for citizens.		

Every citizen who comes into contact with any of our services has the potential to have a carer, or to be a carer. Any of our workforce may be, or become a carer at any given time. It is well-documented that caring can have a detrimental impact on people's lives and specifically on the carer's physical and mental health, as well as their emotional and economic well-being.

Nottingham City Council has a statutory duty under the Care Act 2014 to proactively identify, assess and meet the needs of all carers in their area who might have support needs that are not being met, including carers of citizens not receiving social care support. The Care Act defines a carer as anyone who provides any amount of unpaid care – an estimated 1 in 4 people provided unpaid care during 2020 (Carers UK). In Nottingham this equates to approximately 82,824 citizens.

Nottingham City Council officers have worked with colleagues from Nottinghamshire County Council, NHS Nottingham and Nottinghamshire ICB to develop a new joint Carers Strategy, co-produced with carers from across the city and county, and key providers of carers support services. This new strategy sets out how Nottingham City Council, Nottinghamshire County Council, NHS Nottingham and Nottinghamshire ICB will work together to understand the needs of carers, and to improve the health and wellbeing of carers in Nottingham and Nottinghamshire.

This report asks for the Executive Board to formally agree and sign off the attached joint Carers Strategy for Nottingham City and Nottinghamshire County.

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

No

Recommendation(s):

1 It is recommended that Executive Board formally signs off and adopts the new joint Carers Strategy for Nottingham City and Nottinghamshire County (attached as Appendix 1).

1. Reasons for recommendations

- 1.1 It is recommended that Executive Board formally approves and signs off the new joint Carers Strategy on behalf of Nottingham City Council, in order to provide a strategic direction for supporting local carers. This is important for the following reasons:
- 1.2 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. The key principles identified in the new Carers Strategy are –
 - Identifying and supporting carers as early as possible in both health and social care, particularly carers from marginalised groups
 - Providing the right support for carers across the health and social care system, making best use of available resources to meet their needs. This support should be tailored to the individual carers and the people they care for to support their health and wellbeing, and maintain their independence.
 - Ensure carers have a voice, that they are listened to and treated with respect.
- 1.3 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). 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.

- 1.4 Nottingham City Council officers have worked with colleagues from Nottinghamshire County Council, NHS Nottingham and Nottinghamshire ICB to make use of the opportunity to develop a joint Carers strategy across organisations. This is the first time we have worked together in this way to support carers and ensure shared priorities. Carers tell us that consistent support across the City and County is important to them, as it's common for carers to live in the County but care for someone in the City, or vice versa. Navigating different ways of supporting citizens across the City and County, and Health and Social Care, can make caring roles even more challenging.

Working together across organisations has made best use of officer skills and resources available, and reduced duplication of work. 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.

- 1.5 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. The Care Act defines a carer as anyone who provides any amount of unpaid care, including carers of citizens not receiving social care support. Many carers do not recognise themselves as such, so do not always seek support. 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.

2. **Background (including outcomes of consultation)**

2.1 **Context**

As noted, any citizen who comes into contact with any of our services has the potential to have a carer, or to be a carer, and any of our workforce may be, or become a carer at any given time. In 2022, 4.3 million people in the UK became unpaid carers – that's 12,000 new carers a day (Petrillo and Bennett, 2022). Nottingham City Council has a statutory duty under the Care Act 2014 to proactively identify, assess and meet the needs of all carers in their area who might have support needs that are not being met. For us as a local authority to truly support carers, each service area needs to consider how they can better support the carers they come into contact with, and what they could do to make it easier for carers contacting us regarding the citizens they support.

As an organisation we also need to consider how we can best support the carers we employ, making it clearer for both managers and carers how we can be flexible to meet carers' needs. The number of carers in the population is reflected in the workforce, with 1 worker in 4 juggling work and caring responsibilities, and with new carers coming into the workforce daily. We also need to look at how we can use our position as civic leaders to model how other organisations can and should support carers, to ensure carers can feel supported and confident in taking up employment at a time that is right for them. Given the current recruitment issues faced by many organisations at this time, being able to offer employment opportunities to carers could fulfil both businesses' and citizens' needs.

The Government's white paper, 'People at the Heart of Care: Adult Social Care Reform' (December 2021) focused on breaks from caring and peer support, looking at encouraging new models of supporting carers, and adoption of digital technology to support carers and cared-for citizens.

2.2 **Co-production, engagement and consultation**

Initial work to refresh the Carers Strategy in 2019 included engagement with a diverse range of carers across the city and specific engagement with a BAME carers group, face-to-face at support groups and via online and paper surveys, on what they thought the key principles of the Carers Strategy should be.

Building on the previous work, this strategy has been co-produced with carers with a range of needs and from differing communities across the Integrated Care System (ICS). Carers have been involved in every stage of the development and design of the strategy, from working groups developing and building on the key components of the strategy, to the Carers Strategy Board which oversees the progress being made. Carers worked closely with officers from the partner organisations and have identified the ten key components of the strategy, which are most important to them:

- Identification and Early Support
- Information, Advice, Guidance and Training
- Assessment
- Whole Family Approach
- Breaks from Caring and Preventing Carer Break Down
- Connecting Carers
- Giving Carers A Voice
- Health and Wellbeing
- Education, Training, Volunteering and Employment
- Life After Caring

Carers have then formulated "I" statements which describe what good services and support should look like for carers. In response, the partner organisations have developed "We" statements to say what we should be doing to meet carers' needs and outcomes.

The draft Carers Strategy went out to public consultation from 04/04/2022 to 15/05/22. Joint city and county engagement work included a survey for citizens and professionals to give feedback on the strategy online and in paper format, and a webinar on the strategy, which was co-produced and co-presented with carers. There were 143 responses to the survey, of which 118 were carers and 25 were professionals. Over 80% of respondents agreed that the strategy was easy to read and understand, and over 86% agreed that the partner organisations working together to

support carers is a good idea. Over 55% of respondents agreed that the strategy showed a clear plan for the next 5 years, and good partnership working. 37% of respondents felt that the strategy will improve future services and support provided to carers, with 42% unsure. Given the current economic situation both locally and nationally, this seems understandable.

Key changes based on feedback from the consultation were the inclusion of information on the purpose of the Strategy, the intended subsequent action plan, and carers' support services. This information was added in order to clarify the purpose of the strategy for citizens. Further information has also been added about support for carers. This information has been incorporated into the final version of the Carers Strategy.

3. Other options considered in making recommendations

3.1 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. Therefore this option is not recommended.

3.2 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. Therefore this option is not recommended.

4. Consideration of Risk

The key risk with developing a new Carers Strategy is that despite the strategy, we might still not be able to meet the needs of all local carers, and not be able to deliver the changes that they have identified they want to see. It has been recognised from the outset that the Carers Strategy for Nottingham and Nottinghamshire is not something that can be delivered by a single organisation, or that one organisation can be accountable for. Therefore it is proposed that once the strategy is finalised, we will develop a delivery plan which is within the available budget, and which will sit behind the strategy. This can be taken to the ICS board and Health and Well-being Board, for all key organisations to sign up to. The individual organisations would be accountable for specific actions and the ICS would have overall ownership.

5. Best Value Considerations, including consideration of Make or Buy where appropriate

Whilst there are no direct financial implications of the Carers strategy, a strong Carers Strategy is important to direct our focus on how we can support carers to continue in their caring role, whilst maintaining their own physical, emotional and mental health. This strategy describes the elements of how support to carers can be delivered in a way to maximise positive outcomes for carers, which in turn enables carers to support many cared-for people to live at home or independently

– ensuring best value of collective resources. Supporting carers is crucial to earlier intervention and prevention - carers provide support to some of Nottingham City's most vulnerable citizens, preventing the people they care for from requiring greater degrees of health and social care support. By supporting carers we improve the carer's quality of life, proactively promoting wellbeing and in some cases empowering carers to secure or continue in jobs and achieve or maintain economic wellbeing. We also support cared-for citizens to remain in their own homes, maintain independence and reduce their incidences of requiring hospital admissions and residential care, preventing needs from arising and making better use of local resources, with recognition of the huge value that carers provide to health and social care. By strengthening the capabilities and connections of our carers, we empower local people and groups to support each other. Carers' quality of life can be greatly improved through early identification, assessment, and support – key elements of the Carers Strategy. Best value is supported by maximising our resources collectively across City and County, working together to ensure a Carer's Strategy which makes best use of officer time in development, and most importantly, best use of system-wide resources in implementation. This overarching strategy is critical if we are able to achieve our ambitions for our local people and communities, while remaining sustainable in the future.

The re-commissioning of support services for carers does have direct cost implications, but these are within the available budget envelope. The future service model for carers' support services, including best value considerations of those services, was taken to the Health and Wellbeing Board Commissioning sub-Committee on 30/11/2022, and has been approved.

6. Finance colleague comments (including implications and value for money/VAT)

6.1 N/A

7. Legal colleague comments

7.1 N/A

8. Other relevant comments

8.1 Feedback on the Carers Strategy has been provided by managers in Commissioning and Adult Social Care; People's Leadership Team and the Executive Panel.

9. Crime and Disorder Implications (If Applicable)

9.1 N/A

10. Social value considerations (If Applicable)

10.1 N/A

11. Regard to the NHS Constitution (If Applicable)

11.1 N/A

12. Equality Impact Assessment (EIA)

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

No

An EIA is not required because:
(Please explain why an EIA is not necessary)

Yes

Attached as Appendix 2, and due regard will be given to any implications identified in it.

13. Data Protection Impact Assessment (DPIA)

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

No

A DPIA is not required because there are no direct data-sharing implications of the Carers Strategy. The re-commissioning of support services for carers will have data-sharing implications, but these are considered in the report on carers' support services which was approved at the Health and Wellbeing Board Commissioning sub-Committee on 30/11/2022.

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

14. Carbon Impact Assessment (CIA)

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

No

A CIA is not required because there are no direct carbon impact implications of the Carers Strategy. The re-commissioning of support services for carers will have carbon impact implications, but these are considered in the report on carers' support services which was approved at the Health and Wellbeing Board Commissioning sub-Committee on 30/11/2022.

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

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

15.1 Consultation analysis – feedback on Nottingham and Nottinghamshire draft Joint Carers Strategy 2023-28

16. Published documents referred to in this report

16.1 Policies and Strategies

- The Care Act 2014
- The Children and Families Act 2014

16.2 Report – State of Caring 2022 (Carers UK)

Joint Carers Strategy

2023-2028



Contents

Foreword	3
Introduction and overview to our strategy	5
Who is a carer?	6
Our vision and principles	9
Informing the strategy	10
What carers have told us is most important to them	12
What do we know about carers?	14
Support we provide for carers	15
Our successes and achievements - what are we doing well?	16
Key components of the Carers Strategy	18
Our plans for the future	24
Appendix A	26
Appendix B	30
Appendix C	33
Glossary	34



Foreword

Becoming a carer is something many people will experience in their lifetime, this role can be rewarding but also hugely challenging. We want to ensure that carers are recognised, valued and supported to live happy, healthy and fulfilled lives. We welcome the publication of a new Carers Strategy, which for the first time will be a strategy to support carers across the whole health and social care system in Nottinghamshire and the City of Nottingham.

We recognise the important role that carers undertake in providing unpaid care to their family members, friends, or others and how valued and vital their commitment and contribution to society is in sustaining our local health and social care systems. We are conscious that many individuals will have experience in a caring role with three in five of us taking on a carer role within our lifetime. Carers provide an invaluable contribution of £193 billion in savings to the UK economy in 2020. This includes the £530 million a day saved within the first eight months of the pandemic.

We recognise and understand the many challenges that carers face. It has been well highlighted especially in more recent times, how the responsibility of caring can have a detrimental impact on people's lives and specifically on their physical and mental health and wellbeing. The impact of the Covid-19 pandemic has made caring even more challenging and has resulted in many carers taking on even more responsibilities impacting on their lives even further. Carers have told us that they are stretched and require more support. Despite these challenges, we also acknowledge that caring can be very rewarding for those providing invaluable assistance and support for their loved one.





The aims and objectives of this new strategy will detail how we plan to better support and meet the needs of all carers over the next five years, by working together to make best use of our joint resources. Its basis will focus on building on and refining those things that have worked well for many carers but will also focus on our aspirations for the future including earlier identification of carers in the community, the provision of more personalised support, addressing health inequalities and improving access to support for those carers who are seldom heard, providing better support for working carers and young carers, and support for carers when their caring role has ended.

Our commitment to the aims and objectives set out in this document, working in co-production with our carers and key partners will improve the lives and opportunities of carers living within the City and County of Nottinghamshire.

Signatories to be added



Introduction and overview to our strategy

This strategy is for all unpaid carers who live in, or are caring for someone that lives in the county of Nottinghamshire and the City of Nottingham, regardless of the condition or age of the person they are supporting.

The strategy sets out what we will do together to improve the health and wellbeing of carers. We will develop high quality support services for carers that meets their needs and improves their lives as a carer and ensure they are recognised and valued as partners in delivering services. To do this Nottinghamshire County Council, Nottingham City Council, NHS Nottingham and Nottinghamshire Integrated Care Board will work together as a whole Integrated Care System (ICS) to plan and deliver the carers strategy. This is the first time we have worked together in this way to support carers.

We know that working together will improve the lives of both carers and those they care for, by improving the way carers are identified and supported, by making the best use of our joint resources and ensuring consistency of services across the city and county.

This strategy has been co-produced with carers from Nottingham and Nottinghamshire, and they have been involved in every stage of the development and design of the strategy. Their voices and experiences of their caring roles are directly shaping the future of services and support which are important to them. We are also talking to other key stakeholders and providers of carer support services to help develop future support for carers.

In developing the strategy, we understand that all carers are different and have their own strengths, needs, priorities, interests and desired outcomes.



Who is a carer?



Nationally women make up **58%** of carers and **20%** of women aged 45 to 54 are providing unpaid care to someone with a disability or illness who is older
(Carers UK, 2021)

The Care Act 2014 defines a carer as **“an adult who provides or intends to provide care for another adult”** and **“A carer is someone who helps another person, usually a relative or friend, in their day-to-day life. This is not the same as someone who provides care professionally, or through a voluntary organisation”**.

The Children and Families Act 2014 defines young carers as **“a person under 18 who provides or intends to provide care for another person”**.

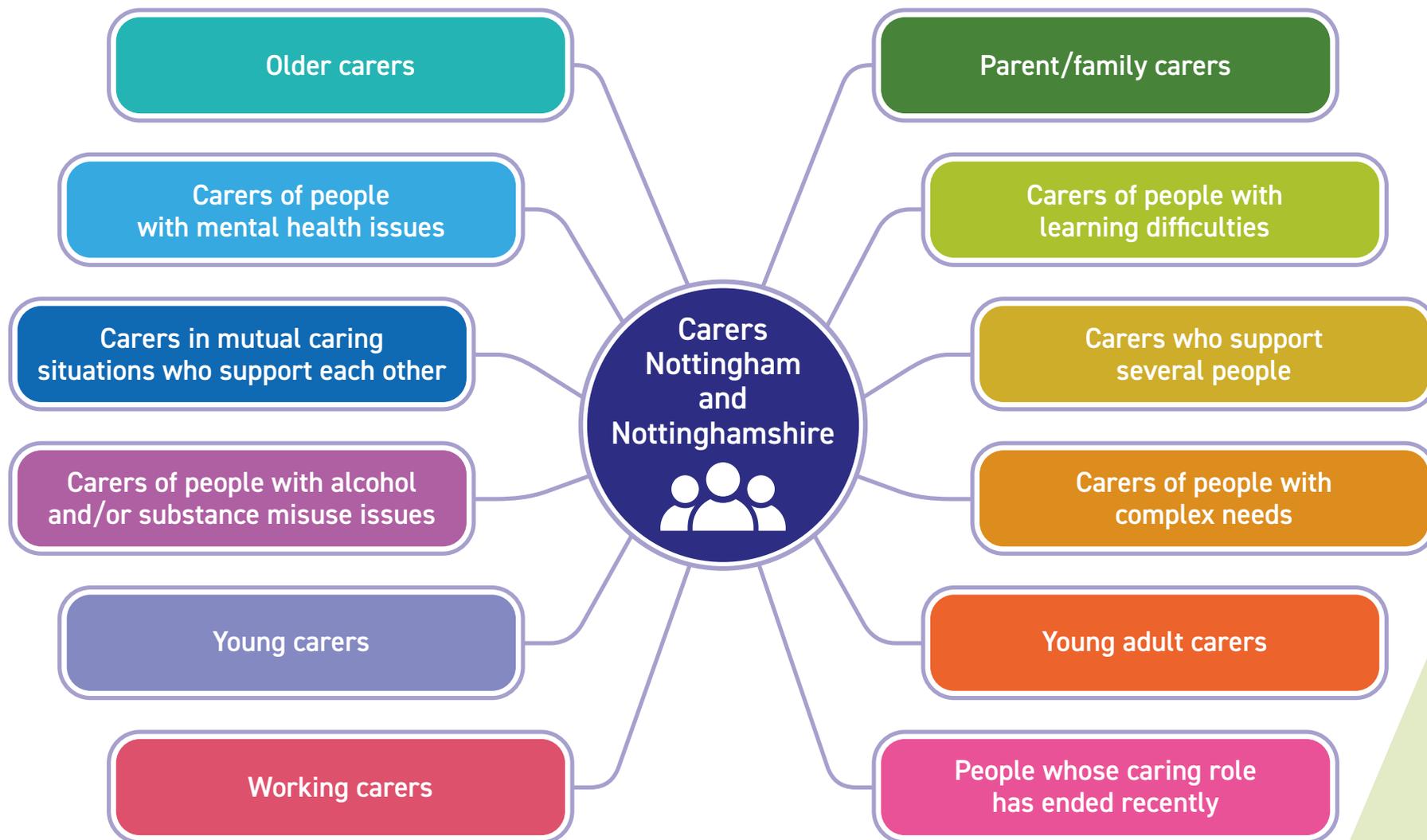
The Children’s and Families Act 2014 also defines parent carers as **“a person aged 18 or over who provides or intends to provide care for a disabled child for whom the person has parental responsibility”**.

A carer doesn’t necessarily have to live with the person they care for to be a carer - some carers don’t live in the same town or city as the person they care for, but their lives are still affected by their caring role. Anyone can become a carer, and often caring responsibilities for a family member, loved one, friend or neighbour can arise unexpectedly..

Many carers, especially early in their caring journey, do not see themselves as carers or see that the support they provide is helping someone close to them who is in need due to disability or illness.

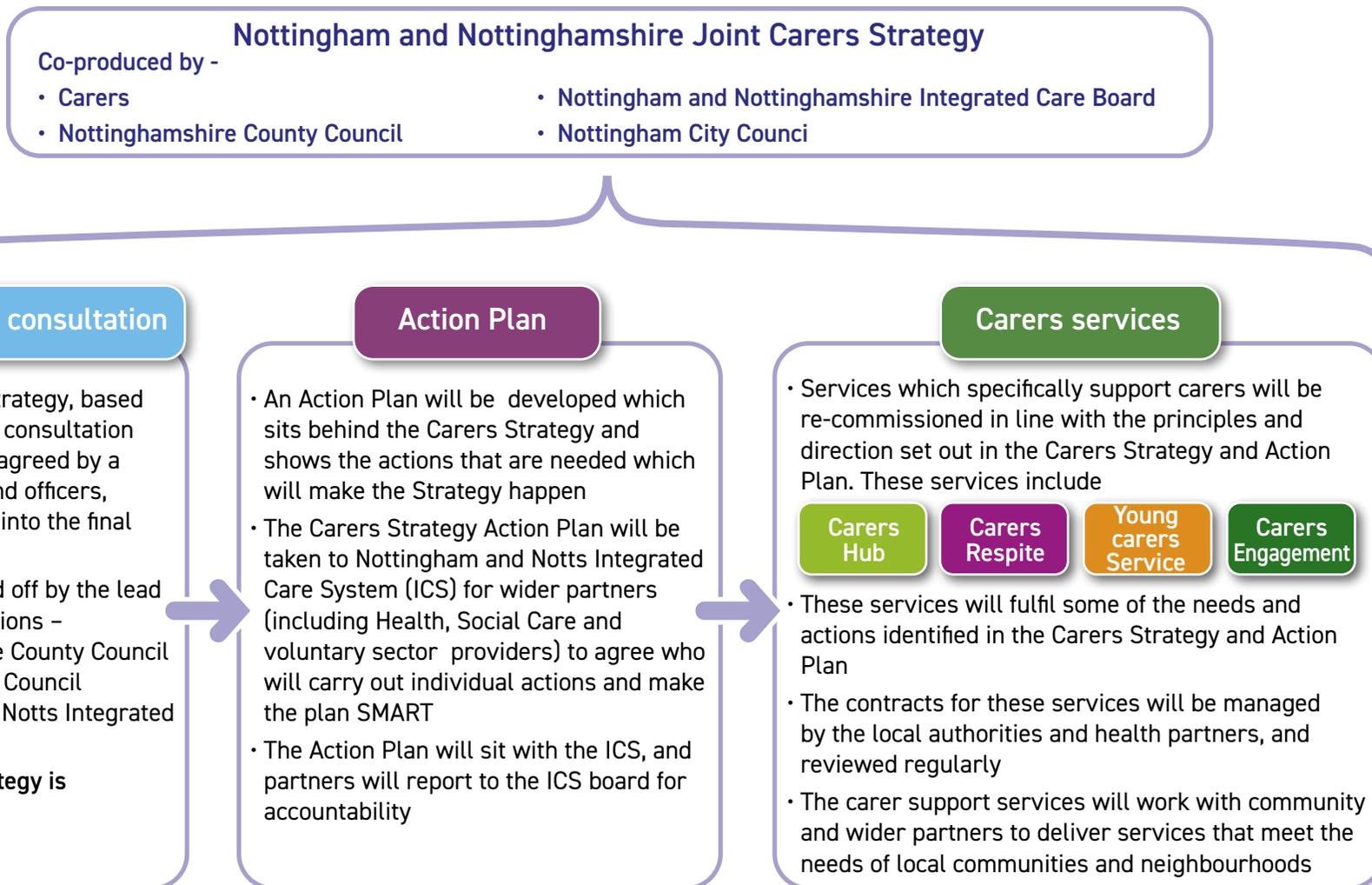


This strategy is for all unpaid carers who live in, or are caring for someone that lives in the county of Nottinghamshire and the City of Nottingham, including but not limited to:



The purpose of the Carers Strategy is to provide an overall agreed direction for how carers in Nottingham and Nottinghamshire will be supported. It is not intended to be an action plan in its own right, but for an action plan to follow from the Strategy. This will include the detail of how the Carers Strategy will be followed through, informing service design and transforming intentions into action.

The diagram shows how the Strategy will be used to influence and improve system-wide support for carers.



Our vision and principles

‘Our vision is to support and work in true and active partnership with carers and their families for them to achieve healthy, balanced lives, to give them the confidence that they will be supported in a fair, respected and honest way by all the agencies they come into contact with.’

The following principles will underpin the work that we do to support carers, and from these will be detailed action plans which identify the specific things that will develop our services further.

Our principles are:

- 1 To work in a way that is tailored to each carer to meet their needs and support their health and wellbeing and maintain their independence
- 2 To reduce isolation and health inequalities by improving access to carers who are ‘seldom heard’ or who are from ethnic minority groups
- 3 To ensure carers have a voice, that they are listened to and are treated with respect as people with lived experience in carer support
- 4 To improve the lives of all carers by everyone working together
- 5 To identify and support carers as early as possible
- 6 To provide the right support across the health and social care system to meet the needs of all carers and the people they care for by delivering high quality services
- 7 To make best use of available resources in supporting carers across the health and social care system



Informing the strategy



Nationally **1 in 5**
young people under 18
are caring for someone
(BBC, 2018)

The voices and experiences of carers are the most powerful influence in informing this strategy.

Carers will be involved in every aspect of planning and designing future support services, and this is called **co-production**.

‘Co-production is when you as an individual influence the support and services you receive, or when groups of people get together to influence the way that services are designed, commissioned and delivered’ (Care Act 2014)

As organisations we are committed to becoming increasingly co-productive. Over the last two years, there has been a lot of engagement and involvement with carers locally, regionally and nationally to find out their views and feedback from their personal experiences.

One key source of feedback from carers is the national survey of adult carers in England (SACE), which takes place every two years. This survey asks carers about their quality of life and their general health and wellbeing. The data from this survey informs the wider report of the Adult Social Care Outcomes Framework (ASCOF), which measures how well care and support services achieve outcomes which matter most to people.

The results are included in official statistics reports and help inform local and national policy decisions, such as this strategy.





Nationally it is estimated that the total number of unpaid carers has increased from 6.3 million in 2011 to **13.6 million** in 2020 – 4.5 million of these new to caring since the start of the Covid-19 pandemic. For those already providing care **81%** were **providing more care**
(Carers UK, 2021)

We are also informed by the Government about how we should provide support to unpaid carers. The recently published Government white paper, 'People at the Heart of Care: Adult Social Care Reform' sets out a 10-year vision for care and support in England. Based on the aims of the Carers Action Plan 2018 to 2020, the white paper highlights three key core strands relating to improving support to unpaid carers. These are:

1. Working with the sector to kick-start a change in the services provided to support unpaid carers
2. Identifying, recognising and involving unpaid carers
3. Supporting the economic and social participation of unpaid carers.

In addition to national requirements set by the Government, we need to make sure that this strategy sets out how carers are recognised and supported in the wider health and care system as well as in carers support services locally. Examples include the Health and Wellbeing Board, adult social care, primary care, mental health and urgent care. All of these have strategies which outline how health and social care will work together to improve how we plan support around the individual and those who care for them.



What carers have told us is most important to them



National research shows
1 in 4 (26%) of adults
provided unpaid care during
the height of the pandemic

Carers have told us what is most important to them in their caring role and how the Covid-19 pandemic has impacted on this.

The feedback given tells us about the contact, support and services carers have experienced from local authorities, health providers in the local community, hospital services and social care providers. It can include any contact with key agencies or organisations that carers may access to help support them in their caring role.

Several common key themes have been identified from the engagement and consultation work, feedback and research that has been undertaken – more details of this work is listed in the attached appendix. Many of these are not new, but by understanding carers needs and the impact of their caring role, organisations can think about what support and services are needed now and in the future.



The top five key themes identified are:



Accessing the right support for the cared for



Access to relevant and appropriate information, advice and guidance



Access to short breaks or replacement care to get a break from caring



Support for carer health and wellbeing - both mental and physical



Being listened to and being able to access good communication and information from health and social care providers



What do we know about carers?



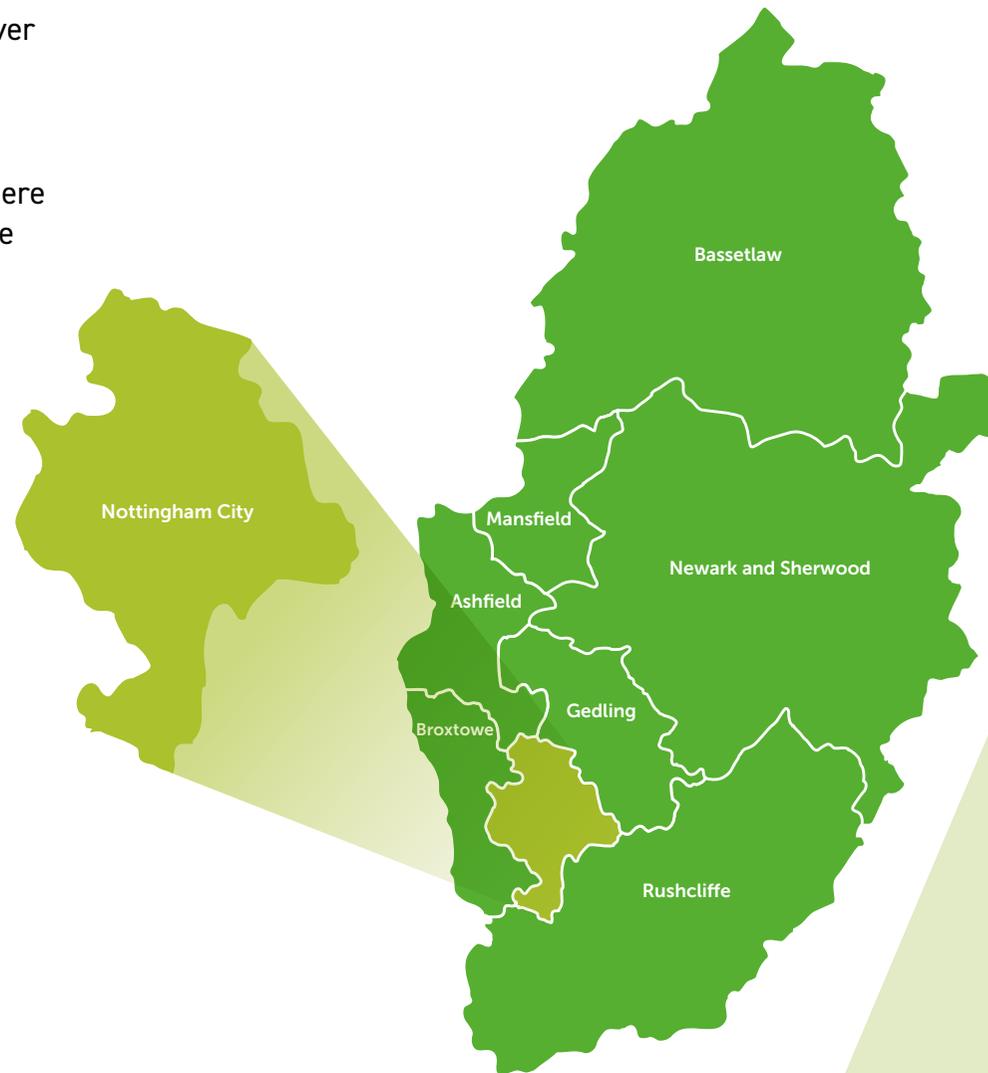
In Nottinghamshire **38.5%** of carers are aged over 65 compared with **26.6%** in Nottingham City (Carers Hub)



Based on the 2011 Census data, it is estimated there are now **189,040** carers within Nottinghamshire in 2021, of which **45,181** are carers providing **over 50 hours** of care per week (Carers UK, 2021)



Within Nottingham City there are an estimated **54,400** carers with an estimated **15,150** providing **over 50 hours** of care per week in 2021 (Carers UK, 2021)



In Nottingham City



In Nottinghamshire



Support we provide for carers

The following table gives details of current services and support offered to carers across the system:

Name of support or service	Details of provision
The Carers Hub (information, advice and support)	<ul style="list-style-type: none"> • information, advice, and support to carers • access to carer support groups • carer breaks • support with physical and mental health and wellbeing (i.e. gym memberships, mindfulness etc) • plus a range of other support options
Young Carers Support Service	<ul style="list-style-type: none"> • age-appropriate activities and peer support groups • Family and 1-2-1 support
Carers short breaks or respite	<ul style="list-style-type: none"> • respite at home, for example sitting services – preventative support offer to carers or part of support package for cared for • planned breaks/respite in residential care settings – part of package of support for cared for person • direct payments options for short breaks/respite provision
Carer identification in GP practices and in schools (young carers)	<ul style="list-style-type: none"> • specific support to GP practices, schools (young carers) and other health professionals to increase and promote awareness of carers
Carers in employment, consultation and engagement activity, raising carer awareness	<ul style="list-style-type: none"> • support to employers and businesses with carers in their workforce • carer engagement • raising carer awareness in public sector organisations
Carers engagement and promotion/support to train and promote best practice in healthcare in the community (including social prescribers)	<ul style="list-style-type: none"> • enabling staff in community healthcare to ensure they have the right approach in supporting carers

Our successes and achievements – what are we doing well?

The Care Act 2014 and the Children and Families Act 2014 state what we must do legally to support carers. Over the past six years, our support to carers has evolved and developed in ways that go beyond these legal requirements.

We need to continue to build on those things that have worked well, by developing and refining those support offers which mean carers have a wider range of support options which meets the needs of all carers.

We have been successful in developing more choice for carers to provide them with an improved support offer by:

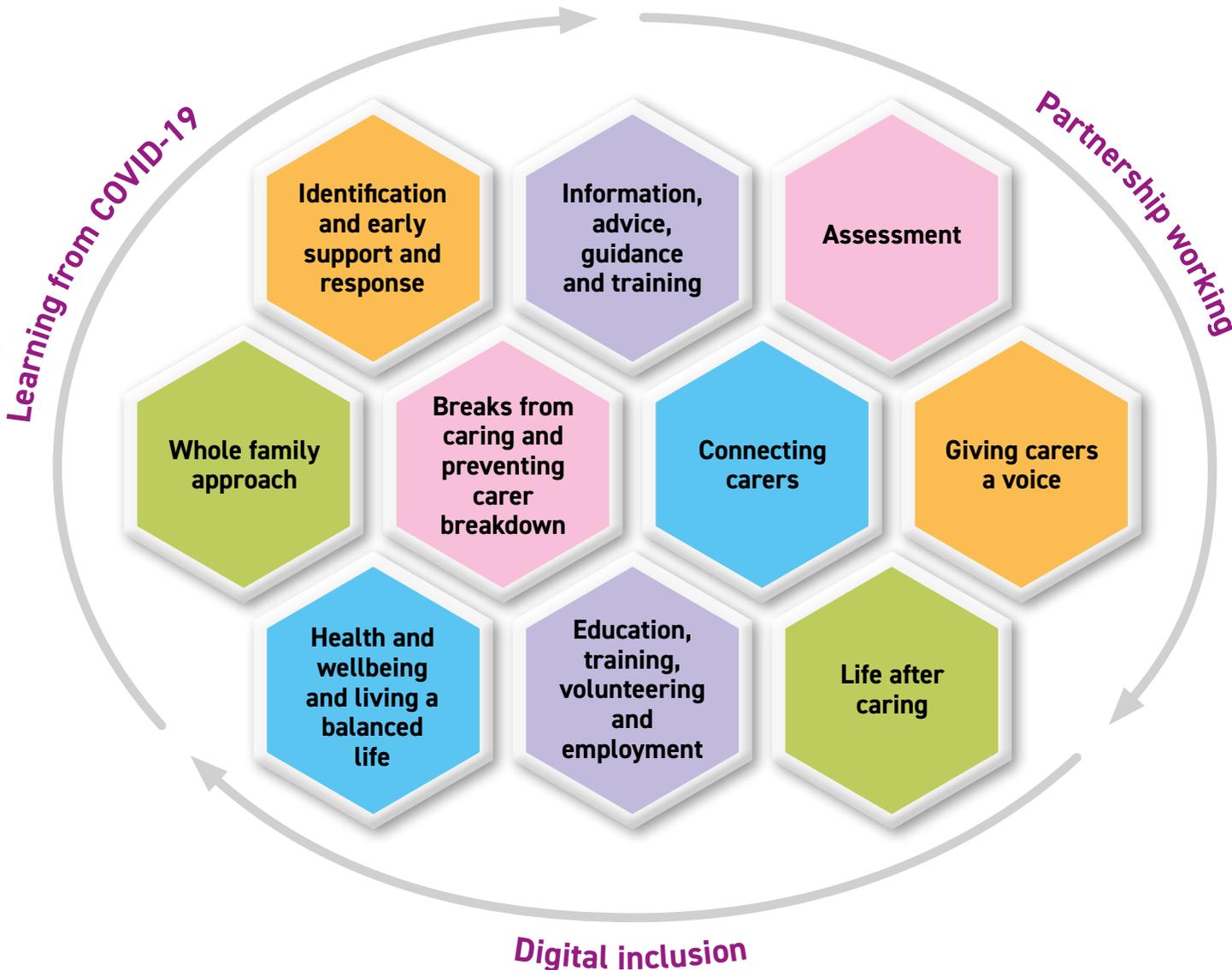
- enabling more carers of adults to have an assessment of their needs, and developing the way in which assessments are undertaken to identify more personalised support to carers in meeting their needs
- providing access to a wider range of short breaks and replacement care to enable carers to get a break from their caring responsibilities
- increasing the number of carers identified and referred for support from partner organisations
- a Carers Hub service, which provides information, advice and support to carers in Nottingham and Nottinghamshire, including access to carer support groups, carer breaks, support with physical and mental health and wellbeing, and a range of other support options
- specific support for young carers, including assessment and personal budgets, age-appropriate activities, and peer support groups.





- access to carer information via various on-line platforms, including local authority websites, [Notts Help Yourself](#) and [Ask Lion](#), [Facebook Nottinghamshire County Council](#), [Facebook Nottingham City](#), [Nottinghamshire County Council twitter](#) and [Nottingham City Council Twitter](#)
- access to learning and training to support carers with practical tasks
- improved access to services and support for the cared for
- access to register for a Carers Emergency Card
- helping schools with identifying and supporting young carers
- supporting GP practices with carer identification and awareness to enable signposting to ongoing support
- access to assistive and digital technology to support caring
- help for employers and businesses to support carers in their workforce
- improved support provided to carers in response to the Covid-19 pandemic including:
 - a successful campaign to enable carers to get priority access to their Covid-19 vaccination
 - wellbeing phone call checks to all carers
 - on-line carer support groups and activities via Zoom and Microsoft Teams
 - on-line wellbeing sessions, including mindfulness, counselling, and self-care for carers

Key components of the Carers Strategy



Carers have worked with us to create the ten key components of the strategy. They have formulated “I” statements which describe what good services and support should look like for carers.

In response to these “I” statements, the partner organisations have developed “We” statements to say what they should be doing to meet carers’ needs and outcomes.

Key component

1 Identification and early support	
Vision: Carers should be identified and offered support at the earliest opportunity, i.e. at the point of diagnosis or discharge.	
'I' statements <ul style="list-style-type: none"> • I want to be able to access information and support when I need it • I would like support at first contact to understand my situation • I would like help to understand what a carer is 	"We" statement <ul style="list-style-type: none"> • We will work together with key partners across the system to identify carers and provide signposting and support. This will include GP practices, schools, healthcare providers (including hospitals), and care providers
2 Information, advice, guidance and training	
Vision: Carers should be able to find information easily and quickly. Professionals should have consistent training and be involved in delivering equal quality experiences for carers.	
'I' statements <ul style="list-style-type: none"> • I would like information or training to support me at the time I need it, for it to be easily accessible, meets my needs and available from whoever I make contact with 	"We" statement <ul style="list-style-type: none"> • We will work with carer support services to ensure carers have access to accurate and relevant information about carers assessments and carer's rights, personal budgets and direct payments as well as support in understanding the specific needs of the person that I care for • We will provide opportunities for training for carers including both on practical tasks and self-care

3 Assessment	
Vision: Assessments need to have an end point/ clear goal. This needs to be shared with carers to promote need for assessment.	
'I' statements <ul style="list-style-type: none"> • I want the right to an assessment of my needs as a carer • I would like to tell my story once and agreed when I have a conversation to explain my situation so my needs can be met • I want to feel valued and listened to 	"We" statement <ul style="list-style-type: none"> • We will make sure carers have the right conversations in the right place that focus on their strengths and support them to solve problems, and find solutions when looking at their needs and how these can be met • We will work with carers to agree outcomes that builds on their strengths and expertise
4 Whole Family Approach	
Vision: Appropriate support and guidance is given to all family members (including extended family networks) and their needs and impact of the person they care for's condition are considered continually.	
'I' statements <ul style="list-style-type: none"> • I want my needs and the needs of my family to be considered and appropriate support provided recognising the impact on all of us 	"We" statement <ul style="list-style-type: none"> • We will work together with everyone's agreement to have joint conversations with carers and people they support to meet needs and agree what to do

5 Breaks from caring and preventing carer breakdown	
Vision: Carers should be able to access different types of respite, depending on their needs, including short breaks, sitting services, weekly breaks. This should be easy to access. Carers should be supported from an early stage with plans in place for changes/emergencies and access to breaks for their own well-being.	
'I' statements <ul style="list-style-type: none"> • I can access information and support when I need it • I should be able to access different types of bespoke flexible and timely respite to meet my needs 	"We" statement <ul style="list-style-type: none"> • We will ensure that carers have access to the right information, advice and support when they need it and help support planning for emergency situations • We will provide carers with options to take breaks from caring, to maintain their own physical and mental health and wellbeing
6 Connecting carers	
Vision: Peer support for carers needs to be accessible for all. Carers can learn from each other and share experiences.	
'I' statements <ul style="list-style-type: none"> • I want to be able to share my experiences with other carers in ways that are accessible to me face-to-face, virtual or otherwise 	"We" statement <ul style="list-style-type: none"> • We will support carers and people they care for to be in touch with their local communities and services to avoid being cut off from people or feel lonely or isolated

7 Giving carers a voice	
Vision: Carers feel valued and that their views and experiences are listened to by professionals and others. Opportunities to give feedback and have a say are frequent, relevant and have a purpose/impact.	
'I' statements <ul style="list-style-type: none"> I want to be involved in decisions affecting my cared for at all stages and by all professionals/services involved 	"We" statement <ul style="list-style-type: none"> We will enable carers to have a voice and be listened to by professionals in agreeing care and support decisions
8 Health and wellbeing and living a balanced life	
Vision: Carers should have their well-being prioritised as well as that of their cared-for. Carers should be able to access respite and support so they can look after their own health and wellbeing needs, access relevant support easily and take breaks.	
'I' statements <ul style="list-style-type: none"> I want to be able to feel safe and supported in my caring role as well as the person I'm caring for is safe and well looked after I want to be seen as more than a carer and have opportunities to live a balanced life outside of my caring role 	"We" statement <ul style="list-style-type: none"> We will provide carers with options to enable equal and fair access to health and social care services and support, to maintain their own health and wellbeing, and to feel safe and looked after We will ensure carers can consider their own personal needs and goals as well as those relating to their caring role

9 Education, training, volunteering and employment	
Vision: Carers are able to access courses, employment and opportunities without their caring role limiting their options. They are supported to do this.	
'I' statements <ul style="list-style-type: none"> I want to be able to take up education, employment and volunteering opportunities offered to me, professionally and personally, without my caring role impacting on these opportunities 	"We" statement <ul style="list-style-type: none"> We will encourage organisations to support carers to access opportunities for training, voluntary or paid employment to fulfil their potential if they choose
10 Life after caring	
Vision: Recognise and put support in place to enable carers to be supported to see their life outside of caring while they are receiving support as a carer, so they are prepared when their role changes.	
'I' statements <ul style="list-style-type: none"> I deserve to be recognised as a carer after my caring role ends I need support to prepare me for a time when my caring role reduces or ceases 	"We" statement <ul style="list-style-type: none"> We will support carers preparing and planning with the changes in their caring role or to a non-caring role

These "I" and "We" statements will be used to form an action plan. Each organisation will commit to actions in the action plan so that we can develop and improve support for carers. This is on top of making sure we support carers in the way set out in the Care Act 2014 and the Children and Families Act 2014. We will work to make sure that carers remain a priority for Nottingham City and Nottinghamshire by working with the ICS.

Our plans for the future

As well as the successes of what we have achieved in supporting carers over the past six years, there have been challenges in ensuring that carers can get the support that they need. The impact of Covid-19 has highlighted many of these challenges even further.

By building on the strengths of what has worked well for carers across the system, we will work jointly together along with our carers in the co-design and co-production of what future support will look like during the life of this strategy and beyond.

Where there were challenges or gaps in support over the past six years, we aim to address these in response to what carers have told us and what good will look like for them:

- better carer identification and support in local health community care settings
- develop a joint approach with all providers of health and adults and children's social care to support carers for the lifetime of their caring role
- have better conversations with carers at the first point of contact to identify support options for carers and the person they care for
- develop services which will support the whole family
- the offer of short breaks or replacement care to be more flexible, accessible and available in meeting carers needs and preventing carer breakdown. Access to some of these services may be dependent on meeting certain eligibility criteria
- break down barriers where communication and sharing of information about the cared for person is an issue





- provide access to digital solutions and technology to support the carer and the cared for
- continue to develop and build on the involvement of carers in the co-production and co-design and monitoring of services
- find ways to improve access to support those carers who are 'seldom heard' and carers from ethnic minority groups to reduce isolation and health inequalities
- further develop advice and information for employers and businesses with supporting carers in their workforce
- develop ways to support carers with a life after their caring role has ended
- develop a new information, advice and support Carers Hub service for carers in Nottingham City and Nottinghamshire
- develop new services for young carers to provide age-appropriate support
- support carers with issues around transport for carers and their cared for to get to essential appointments

Appendix A

Local documents

Nottinghamshire County Council

The Nottinghamshire Plan

[The Nottinghamshire Plan: Our plan for a healthy, prosperous and greener Nottinghamshire](#)

Adult Social Care Strategy

[Adult Social Care Strategy | Nottinghamshire County Council](#)

[Nottinghamshire Local SEND Offer](#)

Nottingham City Council

Adult Social Care Strategy – Better Lives, Better Outcomes

[Better Lives Better Outcomes - Nottingham City Council](#)

[Nottingham City Local SEND offer](#)

NHS Nottingham & Nottinghamshire Integrated care Board

Nottingham and Nottinghamshire Integrated Care System Health Inequalities Strategy 2020-2024

[Our plans & priorities - Nottingham & Nottinghamshire ICS - Nottingham & Nottinghamshire ICS \(healthandcarenotts.co.uk\)](#)

National documents

Carers UK State of caring – A snapshot of unpaid care in the UK

[State of Caring Survey - Carers UK](#)

Carers Week 2020 Research Report The rise in the number of unpaid carers during the coronavirus (COVID-19) outbreak



[Carers Week 2020 Research Report - Carers UK](#)

Caring Behind Closed Doors: six months on (2020)

<https://www.carersuk.org/scotland/policy/policy-library/caring-behind-closed-doors-six-months-on>

House of Commons Informal Carers Report 2021

[Informal carers - House of Commons Library \(parliament.uk\)](#)

NHS Commitment to Carers 2014

[NHS England » NHS England's Commitment to Carers](#)

NICE Guidelines 2020

[Overview | Supporting adult carers | Guidance | NICE](#)

People at the Heart of Care: Adult Social Care Reform White Paper – December 2021

[People at the Heart of Care: adult social care reform white paper - GOV.UK \(www.gov.uk\)](#)

The Care Act 2014

[Care Act 2014 \(legislation.gov.uk\)](#)

The Children and Families Act 2014

[Children and Families Act 2014 \(legislation.gov.uk\)](#)

The NHS Long Term Plan 2019

[NHS Long Term Plan](#)

Engagement activity with carers has been undertaken by the following organisations:

Nationally:

Carers UK: Breaks or Breakdown Carers Week 2021 report

[‘Breaks or breakdown’, Carers Week 2021 report - Carers UK](#)

Regionally:

- Sortified: Supporting Unpaid Carers by adapting services and responding to need during the Covid-19 crisis report (on behalf of ADASS East Midlands) – March 2021 (Not yet publicised)

Locally:

Nottingham City Council: Carers Consultation - collated feedback - February 2019

Nottinghamshire County Council:

- ‘Impact of Covid-19’ carer Group (March – August 2021)
- Carers survey/consultation (new carers assessment proposals) – February 2021
- Short Breaks carers Group – (March- August 2021)
- Day Opportunities consultation – November 2020

Within each partner organisation, the following Committees and Boards are responsible for approving or supporting the development of this Strategy:

Nottinghamshire County:

- Adult Social Care Committee

[Democratic Management System > Committees > Adult Social Care and Public Health Committee \(nottinghamshire.gov.uk\)](#)

- Health and Wellbeing Board
[Health and wellbeing board | Nottinghamshire County Council](#)
- Commissioning Board
[Commissioning Social Care | Nottinghamshire County Council](#)
- Carers' Commissioning Forum

Nottingham City:

- Adults Leadership Team
- People's Leadership Team
- Corporate Leadership Team

NHS Nottingham & Nottinghamshire Integrated Care Board:

- Quality and Performance Committee



Appendix B

Engagement activity with carers

Nationally:

Carers UK: Breaks or Breakdown Carers Week 2021 report

[‘Breaks or breakdown’, Carers Week 2021 report - Carers UK](#)

NHS Digital: Measures from the Adult Social Care Outcomes Framework

[Measures from the Adult Social Care Outcomes Framework - NHS Digital](#)

Regionally:

- Sortified: Supporting Unpaid Carers by adapting services and responding to need during the Covid-19 crisis report (on behalf of ADASS East Midlands) – March 2021 (Not yet publicised)



Locally:

Date	Event/Document	Method	Numbers	Findings/outcome
February 2019	Nottingham City Council: Carers Consultation - collated feedback			<ul style="list-style-type: none"> • Carers need to know <ul style="list-style-type: none"> o what they're entitled to o how to access it o where to go to resolve issues and complaints • Carers are still not sure where to go for support particularly - <ul style="list-style-type: none"> o carers without internet access o carers of people with substance misuse issues o parent carers
November 2020	Day Opportunities consultation	Consultation and survey	Over 1,500 responses received from service users and carers	<p>With carers citing the following as being of importance to them:</p> <ul style="list-style-type: none"> • getting a regular break • having their own support network • being able to carry out their caring role • having the opportunity for hobbies and leisure activities • being able to keep going to work
February 2021	Carers survey/consultation (new carers assessment proposals)	Consultation and survey	5287 sent out 1957 returned	<p>Consultation question on new proposals (Yes/No)</p> <p>Survey to ask carers to rank in order what support is most important to them based on eight key areas of support</p>

Date	Event/Document	Method	Numbers	Findings/outcome
March - August 2021	Short Breaks carers Group	Co-production group with X carers	N/A	Carers were asked about their experiences of short breaks and other types of respite
March - August 2021	'Impact of Covid-19' carer Group	Co-production group with 11 carers	N/A	The group identified a number of key themes on what impacted on carers during the first 12 months of the Covid-19 pandemic
May - June 2022	Draft Carers Strategy	Consultation and survey	143 returned	Feedback highlighted key points requiring clarification and expansion within the strategy document

Appendix C

Committees and Boards are responsible for approving or supporting the development of this Strategy:

Nottinghamshire County:

- Adult Social Care Committee- Democratic Management System > Committees > Adult Social Care and Public Health Committee (nottinghamshire.gov.uk)
- Health and Wellbeing Board- Health and wellbeing board | Nottinghamshire County Council
- Commissioning Board- Commissioning Social Care | Nottinghamshire County Council
- Carers' Commissioning Forum

Nottingham City:

- Adults Leadership Team
- People's Leadership Team
- Corporate Leadership Team

NHS Nottingham & Nottinghamshire Integrated Care Board:

- Quality and Performance Committee



Glossary

Assistive and digital technology	Refers to a range of electronic or digital equipment or tools which can help assist and support carers and the people they care for to improve their quality of life. Electronic equipment can include lifelines and sensor monitoring equipment used to detect falls or dispense medication which can support independence and give carers a break. Carers may also be able to have support to access the internet, thus allowing attendance at online carer support events or classes reducing isolation, increasing mental wellbeing and improving job opportunities.
Carer's emergency card	The carers emergency card can identify carers in the event of an emergency. The card is carried by the carer and includes an emergency phone number anyone can call, which will enable contact to be made to family or friends to let them know there is an emergency or visit person you care for and arrange emergency help. This scheme is currently only available to carers who live in the county.
Digital inclusion	Digital inclusion is about making sure everyone can have access and use the internet in a way that makes their life easier. Improving digital inclusion can involve enhancing people's digital skills, providing them with internet connectivity, and making the internet accessible to a range of user needs.
Direct payments	Direct Payments are monetary payments available to people who are eligible for care and support, which provide independence, choice and control for individuals by enabling the arrangement and payment of care and support themselves in order to meet their needs.
Health inequalities	Health inequalities are systematic differences in health between different groups of people that are avoidable and unfair. For example, differences in life expectancies, physical and mental health.
Integrated Care System	This is a partnership between organisations, within a given area, that meet health and social care needs of their local population. Within Nottinghamshire, the organisations include Nottingham City Council, Nottinghamshire County Council, Nottingham and Nottinghamshire Integrated Care Board and the mental health and acute NHS hospital trusts within Nottinghamshire.
Partnership working	Working together with key organisations to enable or achieve a joint outcome.

Personal budgets	This is an amount of money, calculated by local councils, which is allocated to a carer to meet their assessed needs. The amount provided is determined by the type of support needed and the cost. The council can manage this budget and provide and arrange services on behalf of the person, or alternatively the amount of money can be given directly, so that the person can arrange and pay for their own services. This is called a direct payment.
Respite	Respite is a break from caring. This can take different forms, for example a sitting service in the person's home, a replacement care service which is put in place to provide the support normally provided by a carer to enable them to have a break, day activities for the cared or overnight care in a residential care home. Respite can be planned or accessed at short notice (i.e., in an emergency or crisis). Respite is sometimes called Short Breaks or replacement care.
Replacement care	A respite care service which is put in place to provide the support normally provided by a carer to enable the carer to get a break from their caring responsibilities.
Seldom-heard	Refers to groups of under-represented people, who are less likely to be heard by health and social care service professionals and decision-makers due to various barriers, which may prevent their engagement.
Short breaks	A term used to describe a type of respite service which provides a break from the normal routine of caring. Short breaks are usually planned in advance and are not the result of an emergency or crisis in the home, or because of illness e.g., hospitalisation of the carer.
Sitting services	Sitting services are a form of respite or short breaks support provided in the cared for and carers own home, usually for a short period of time during the day (i.e. 2 to 3 hours). The support provided to the cared for includes engaging with and supporting the person, which could include some personal care tasks. Where personal care is needed, support workers are required to be trained in providing personal care.

SMART	This stands for Specific, Measurable, Achievable, Results focused, and Time bound. It's a way of making sure that the objectives set can be met and we will know when they have been achieved.
Social prescribers	Social prescribers are link workers who work in local health communities, that give people time, focusing on what matters to them by taking a holistic approach to people's health and wellbeing. They connect people to community groups and statutory services for practical and emotional support. Social prescribers also support existing community groups to be accessible and sustainable, and help people to start new groups, working collaboratively with all local partners.





This page is intentionally left blank

Equality Impact Assessment Form

[screentip-sectionA](#)

1. Document Control

1. Control Details

Title:	Joint Carers Strategy
Author (assigned to Pentana):	Lisa Lopez, Public Health Commissioning Lead
Director:	Sara Storey, Director for Adult Health and Social Care Katy Ball, Director of Commissioning and Procurement
Department:	People
Service Area:	Adult Social Care
Contact details:	Email: lisa.lopez@nottinghamcity.gov.uk, Phone: 0115 8762746
Strategic Budget EIA: Y/N	N
Exempt from publication Y/N	N

2. Document Amendment Record

Version	Author	Date	Approved
1	Lisa Lopez	01/03/2022	03/03/2022
2	Lisa Lopez	1/12/2022	

3. Contributors/Reviewers

Name	Position	Date
Karla Banfield	Commissioning and Market Services Manager	01/03/2022
Rosey Donovan	Equality and Employability Consultant	03/03/2022

4. Glossary of Terms

Term	Description
BAME	Black, Asian, and minority ethnic. This term is used to refer to people in the UK who do not consider themselves to be of White British ethnicity. The term is used to refer collectively to communities/groups rather than to specific individuals.
ICB	Integrated Care Board. Integrated Care Boards (ICB s) are statutory organisations that bring NHS and care organisations together locally to improve population health and establish shared strategic priorities within the NHS. Formerly known as Clinical Commissioning Groups (CCGs).
ICS	Integrated Care System. An ICS brings NHS providers, Integrated Care Boards (ICBs), local authorities and voluntary sector partners together to collaboratively plan and organise how health and care services are delivered in their area. The goal is that ICSs will remove barriers between organisations to deliver better, more joined up care for local communities. While they are currently informal partnerships, the government's white paper states that the forthcoming NHS Bill will make ICSs legal bodies, and give them responsibility for funding, performance and population health.
EIA	Equality Impact Assessment

[screentip-sectionB](#)

2. Assessment

1. Brief description of proposal / policy / service being assessed

Carers have a vitally important role in society, providing thousands of hours of unpaid care to their family members, neighbours and friends. It is well-documented that caring can have a detrimental impact on people's lives and specifically on their physical and mental health and wellbeing.

Nottingham City Council's Carers Strategy has expired - the need for a Carers Strategy was identified through the Adult Social Care strategy 'Better Lives, Better Outcomes', and work was underway to refresh the strategy, but was put on hold due to the outbreak of Covid-19. Nottingham City Council officers have worked with colleagues from Nottinghamshire County Council, NHS Nottingham and Nottinghamshire ICB to develop a new joint Carers Strategy, co-produced with carers from the city and county, and key providers of carers support services. The draft

Carers Strategy has been agreed at Nottingham City Council Executive Panel, has been out for public consultation, and is to go to Executive Board for final sign-off in December 2022.

The key principles of the new Carers Strategy are –

1. Providing the right support across the health and social care system to meet the needs of carers and the people they care for with high quality services
2. Tailoring help and support to each carer to meet their needs, support their health and wellbeing, and maintain their independence
3. Identifying and supporting carers as early as possible whether this is within health or social care services
4. Making best use of available resources in supporting carers across the health and social care system
5. Reducing isolation and health inequalities by improving access for carers from marginalised groups
6. Ensure carers have a voice, that they are listened to and are treated with respect as expert partners in the support for the person they care for.

[screentip-sectionC](#)

Page

2. Information used to analyse the effects on equality:

Nottinghamshire Carers Hub includes targets around access and support provided to carers from BAME communities. Because the services were commissioned a number of years ago, the target for supporting carers from BAME communities is now less than the percentage of BAME citizens in Nottingham. However, the Carers Hub is consistently over-performing against these targets, which is more representative of the ethnic diversity of Nottingham citizens. The Carers Hub have been instrumental in engaging carers across Nottingham City to shape the Carers Strategy. Performance information on the Carers Hub is included in this document –



Carers Hub Qtr 3
2021-2022.xlsx

Initial work to refresh the Carers Strategy in 2019 included engagement with carers across the city, both face-to-face at carers support groups (including a specific BAME carers group), and via online and paper surveys, on what they thought the key principles of the Carers Strategy should be. Building on the previous work, this draft strategy has been co-produced with carers from across the City and County. Carers have been involved in every stage of the development and design of the strategy, from the working groups developing and building on the key components of the strategy, Carers Strategy Board which oversees the progress being made. Carers have worked closely with officers from the partner organisations and have identified ten key components of the strategy, which are most important to them:

- Identification and Early Support

- Information, Advice, Guidance and Training
- Assessment
- Whole Family Approach
- Breaks from Caring and Preventing Carer Break Down
- Connecting Carers
- Giving Carers A Voice
- Health and Wellbeing
- Education, Training, Volunteering and Employment
- Life After Caring

Building on the key components, carers have formulated “I” statements which describe what good services and support should look like for carers. In response to these “I” statements, the partner organisations have developed “We” statements to say what they should be doing to meet carers’ needs and outcomes.

The draft Carers Strategy went out to public consultation from 04/04/2022 to 15/05/22. Joint city and county engagement work included a survey for citizens and professionals to give feedback on the strategy online and in paper format, and a webinar on the strategy, which was co-produced and co-presented with carers. There were 143 responses to the survey, of which 118 were carers and 25 were professionals. Over 80% of respondents agreed that the strategy was easy to read and understand, and over 86% agreed that the partner organisations working together to support carers is a good idea. Over 55% of respondents agreed that the strategy showed a clear plan for the next 5 years, and good partnership working. 37% of respondents felt that the strategy will improve future services and support provided to carers, with 42% unsure. Given the current economic situation both locally and nationally, this seems understandable.

Key changes based on feedback from the consultation were the inclusion of information on the purpose of the Strategy, the intended subsequent action plan, and carers’ support services. This information was added in order to clarify the purpose of the strategy for citizens. Further information has also been added about support for carers. This information has been incorporated into the final version of the Carers Strategy.

A summary of the carers’ engagement work, and the feedback from the carers’ engagement, can be found in the documents below -



Carers Strategy
engagement 2019



Key Themes Carers
Feedback



Carers Strat Webinar
13.04.2022



Carers Panel 12.9.22
notes from consultation



Draft Strategy
consultation presentat

3. Impacts and Actions:

screentip-sectionD	Could particularly benefit X	May adversely impact X
People from different ethnic groups (carers).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Men	<input type="checkbox"/>	<input type="checkbox"/>
Women	<input type="checkbox"/>	<input type="checkbox"/>
Trans	<input type="checkbox"/>	<input type="checkbox"/>
Disabled people or <u>carers</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pregnancy/ Maternity	<input type="checkbox"/>	<input type="checkbox"/>
People of different faiths/ beliefs and those with none.	<input type="checkbox"/>	<input type="checkbox"/>
Lesbian, gay or bisexual people.	<input type="checkbox"/>	<input type="checkbox"/>
Older	<input type="checkbox"/>	<input type="checkbox"/>
Younger	<input type="checkbox"/>	<input type="checkbox"/>
Other (e.g. marriage/ civil partnership, looked after children, cohesion/ good relations, vulnerable children/ adults).	<input type="checkbox"/>	<input type="checkbox"/>
<i>Please underline the group(s) /issue more adversely affected or which benefits.</i>		

<p style="text-align: right;">screentip-sectionE</p> <p>How different groups could be affected (Summary of impacts)</p>	<p style="text-align: right;">screentip-sectionF</p> <p>Details of actions to reduce negative or increase positive impact (or why action isn't possible)</p>
--	---

Carers

The new Carers Strategy will benefit carers by bringing together the views of a range of carers across the City and County to inform the direction that key organisations should take in supporting carers. For the first time we will have a single strategy that will support carers across the whole health and social care system in Nottinghamshire and the City of Nottingham – something carers have asked for. The strategy has commitment from Nottingham City Council, Nottinghamshire County Council, and NHS Nottingham and Nottinghamshire ICB.

This strategy sets out how, through a joint approach between health and social care how we will improve the health and wellbeing of carers. It has been recognised from the outset that this Carers Strategy is not something that can be delivered by a single organisation, or that one organisation can be accountable for. In order to ensure that the strategy translates into actions, which can be delivered, once the consultation on the strategy is completed and the strategy is finalised, an action plan will be developed to sit behind the strategy. This will be taken to the ICS board, all organisations would sign up to it, the individual organisations could be accountable for specific actions and the ICS would have overall ownership. This will ensure buy-in from key partners such as GP practices and community organisations.

Carers from different ethnic groups

The 2011 Census showed that the prevalence of carers amongst the BAME communities is approximately equivalent to that of the general population. However, higher than average incidences of providing unpaid care are reported amongst the Black Caribbean, Indian, Pakistani and Bangladeshi communities. It is likely that these figures represent only a fraction of carers in BAME communities. There may be familial expectations of caring in some cultures – where caring is seen as a normal function of the family, the carers may not self-identify and therefore do not receive any support, advice or carer's assessments. Consultation on the new Carers Strategy will include seeking feedback from carers within BAME communities, and will take place in different formats such as by Teams and face-to-face, to support carers for whom English is not their first language.

1 Actions will need to be uploaded on Pentana.

- Carers Strategy signed off – Nottingham City, Nottinghamshire County and Nottingham and Notts ICB
- Draft action plan/delivery plan (January 2023)
- Take the finalised Carers Strategy and Action Plan to the Health and Well-being Board, and ICS board for agreement, and for partners to sign up to actions. (March 2023 – TBC)
- Hand over to the appropriate ICS-level board. to monitor actions – partners will be accountable to them. (Spring 2023 – TBC)
- Refresh the EIA in the event of any further changes to the Strategy.

4. Outcome(s) of equality impact assessment:

<input checked="" type="checkbox"/>	No major change needed	<input type="checkbox"/>	Adjust the policy/proposal
<input type="checkbox"/>	Adverse impact but continue	<input type="checkbox"/>	Stop and remove the policy/proposal

5. Arrangements for future monitoring of equality impact of this proposal / policy / service:

Once the Carers Strategy is finalised, an action plan is to be developed which will sit across the ICS. Actions will be agreed by the ICS to ensure buy-in from all key partners across Health, Social Care, and community providers, and be monitored via and appropriate ICS-level board.

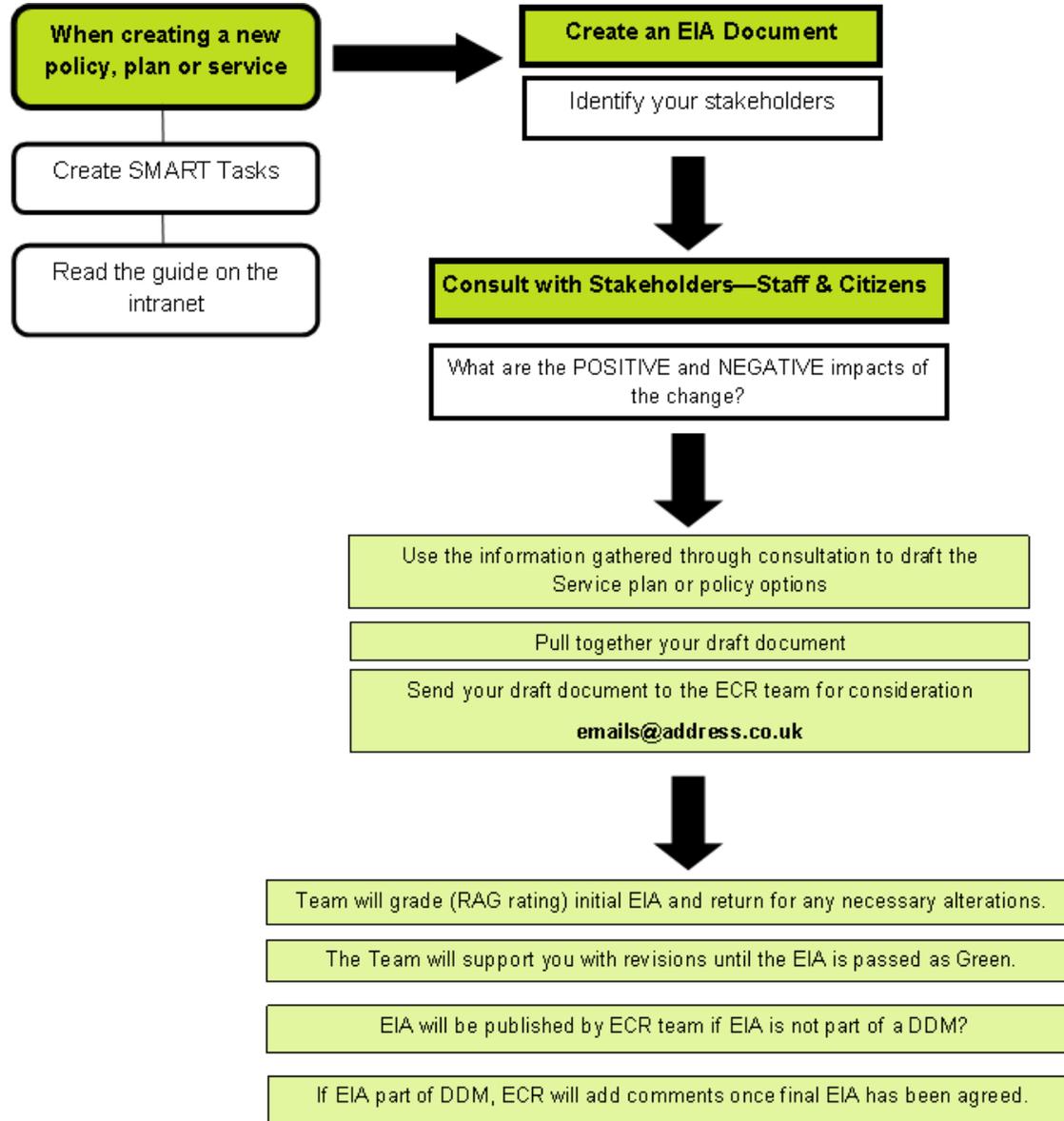
6. Approved by (manager signature) and Date sent to equality team for publishing:

<p>Approving Manager: Karla Banfield The assessment must be approved by the manager responsible for the service/proposal. Include a contact tel & email to allow citizen/stakeholder feedback on proposals. Manager: Karla Banfield Email: Karla Banfield @nottinghamcity.gov.uk Tel: 0115 8764801</p>	<p>Date sent for scrutiny: 8/12/22 Send document or Link to: equalityanddiversityteam@nottinghamcity.gov.uk</p>
<p>SRO Approval: 01/03/2022</p>	<p>Date of final approval:20/12/2022</p>

Before you send your EIA to the Equality and Community Relations Team for scrutiny, have you:

1. Read the guidance and good practice EIA's
<http://intranet.nottinghamcity.gov.uk/media/1924/simple-guide-to-eia.doc>
2. Clearly summarised your proposal/ policy/ service to be assessed.
3. Hyperlinked to the appropriate documents.
4. Written in clear user-friendly language, free from all jargon (spelling out acronyms).

5. Included appropriate data.
6. Consulted the relevant groups or citizens or stated clearly, when this is going to happen.
7. Clearly cross-referenced your impacts with SMART actions.



KEY
EIA— Equality Impact Assessment
ECR— Equality & Community Relations Team
DDM—Delegated Decision Making

This page is intentionally left blank

Subject:	Active Travel Social Prescribing national pilot programme 22/23 – 24/25
Corporate Director(s)/Director(s):	Sajeeda Rose, Corporate Director for Growth and City Development Lucy Hubber, Director of Public Health
Portfolio Holder(s):	Cllr Audra Wynter, Portfolio Holder for Highways, Transport and Parks Cllr Linda Woodings, Portfolio Holder for Adult Social Care and Health
Report author and contact details:	Jennie Maybury, Transport Strategy Team, Development & Growth jennie.maybury@nottinghamcity.gov.uk
Other colleagues who have provided input:	Chris Carter, Head of Transport Strategy, Growth & City Development
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £750,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital If Capital, provide the date considered by Capital Board Date:
Total value of the decision:	£1,588,785
Wards affected:	Aspley, Bilborough, Leen Valley, Bulwell, Bulwell Forest, Dales, St Ann's
Date of consultation with Portfolio Holder(s):	19 September 2022
Relevant Council Plan Key Outcome:	
Clean and Connected Communities	<input type="checkbox"/>
Keeping Nottingham Working	<input type="checkbox"/>
Carbon Neutral by 2028	<input checked="" type="checkbox"/>
Safer Nottingham	<input type="checkbox"/>
Child-Friendly Nottingham	<input type="checkbox"/>
Healthy and Inclusive	<input checked="" type="checkbox"/>
Keeping Nottingham Moving	<input checked="" type="checkbox"/>
Improve the City Centre	<input type="checkbox"/>
Better Housing	<input type="checkbox"/>
Financial Stability	<input type="checkbox"/>
Serving People Well	<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):	
<ul style="list-style-type: none"> • The Department for Transport (DfT) has awarded the council a £1.589 million three year revenue grant to test approaches to active travel behaviour change through social prescribing in communities who are most at risk from inactive lifestyles. Nottingham will be one of eleven national pilot areas. • Sustained capital investment in our walking and cycling networks means Nottingham has a real opportunity to increase active travel for local journeys but the opportunity to benefit is not equally available to all our citizens - women, people from culturally diverse communities, disabled people and older people currently walk and cycle less. • The Active Travel Social Prescribing programme aims to make walking and cycling accessible, by taking a “what matters to me” approach to support behaviour change to reach people previously not engaged, or unable to take part, due to health, confidence, mental wellbeing, mobility, or other physical or financial barriers. • The programme targets St Ann's /Sneinton, western outer estates and Bulwell. These areas were chosen based on health need combined with proximity to walking and cycling improvements. The active travel social prescribing package will explore how to make walking 	

and cycling easier options for everyday travel. Building confidence and enabling access to wider opportunities will support improved mental health and wellbeing and increase opportunities for physical activity.

- Social prescribing is already established in Nottingham with a network of Social Prescribing Link Workers and Health and Wellbeing Coaches across the city supporting GP services. The Greenspace Social Prescribing Programme promotes access to nature for health and wellbeing. This programme will fund one to one and group walking and cycling activities which can be offered through existing referral processes. The programme includes creating additional posts at the Nottingham GP Alliance and Nottingham Community Voluntary Services to support this work in the community.
- The programme forms part of the council's strategy for moving more and eating well for good health and will help more people to benefit from the investment in local walking and cycling infrastructure. Addressing barriers to walking and cycling for local journeys also supports wider sustainable transport and Carbon Neutral 2028 objectives. The programme will also help people become more connected, providing opportunities to develop skills and confidence and creating local volunteering and job opportunities in the local community.

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

NO

Recommendation(s):

- 1** To 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**.
- 2** To approve the allocations for the programme workstreams set out in **Appendix B** 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** To approve the procurement strategy detailed in **Appendix C** 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** To approve tendering the frameworks for local suppliers for active travel behaviour change services set out in Recommendations 3a, 3b, 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 will need to secure separate approval as and when any additional active travel revenue grant awards are secured.

5 To 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**.

1. **Reasons for recommendations**

- 1.1 It is recommended that the council accepts DfT's revenue grant award of £1,588,785 as this 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.
- 1.2 The revenue grant will be paid under Section 31 of the Local Government Act 2003 in three annual instalments to be managed as a multi-year programme. The first payment for 36% of the funding has been received. The remaining two instalments of 32% per year will be paid in 2023/24 and 2024/25. The grant determination letter and the offer letter in **Appendix A** set out the grant conditions, which require the council to deliver the objectives set out in the bid, to comply with rules on subsidy control when using the funding, to have a monitoring and evaluation plan in place before delivery starts and to include Active Travel England's logo on any associated publicity materials. The council can comply with these conditions.
- 1.3 **Appendix B** sets out the programme allocations. DfT has confirmed that due to the delayed confirmation of the successful pilots, final programme spend can be extended up to autumn 2025. The budget profile assumes final grant spend will be completed by October 2025, with delivery of support services completed by March 2025, and the remaining grant spend in 2025/26 to complete monitoring activities for the programme evaluation.
- 1.4 The funding package includes provision for additional council staff resources to support programme delivery. The programme development included a detailed Feasibility Stage in spring 2022, which used a co-design approach to secure support for the proposed projects from over 60 representatives of 20 community and partner organisations. The Feasibility Stage included an assessment of value for money of the proposed measures which returned a Benefit Cost Ratio of 2.32, signifying 'Good' value for money. Taking a test and learn approach throughout the programme delivery will ensure that the projects will meet the needs of the target communities. Any programme

variations will be overseen through the programme governance in **Appendix D** and approved by the Director of Planning and Transport and with DfT/Active Travel England.

- 1.5 Approval of the procurement strategy set out in **Appendix C** will initiate work to appoint service providers ready for delivery from April 2023. **Recommendations 3a, 3b and 3c** request approval to tender for three-year frameworks to establish a pool of local suppliers for walking and cycling support services such as cycle training, bike mechanics, bike maintenance skills training, led walks and rides on a call-off basis. This approach will streamline the procurement allowing the council to quickly commission multiple small-scale projects as required ensuring the programme delivery can be flexible and responsive to local needs. The intention is to have these frameworks in place by April 2023. Providers for contracts outside of these service frameworks will be let either through three quotes for projects up to £100,000 or via tender for projects over this limit.
- 1.6 **Recommendation 3d** requests approval to use an existing framework, either Midlands Highway Alliance PSP3 or Espo Framework 645 Lot, as the compliant procurement route to appoint a suitable provider for up to £60,000 to call off personalised travel planning services by March 2025.
- 1.7 **Recommendations 3e, 3f and 3g** request approval to award the following small-scale contracts up to £25,000:
- To appoint suitably experienced consultants under the existing Espo Framework 664 Lot 5 as a compliant procurement route to support a further stage of community co-design work to inform detailed project design to ensure the offer will meet the needs of the target communities. Integrated Transport Planning Ltd, who supported the stakeholder engagement for the Feasibility Stage, has been provisionally approached to build on the work established in the feasibility phase.
 - A direct award of up to £24,950 to Go Jauntly as a unique supplier to initiate a partnership package for an interactive walking app with associated comms and challenge offers to support delivery of community walking projects would allow preparatory work to commence to get the first set of walks ready for use from April 2023.
 - To approve an extension of the contract award for Nottingham University Hospital Active Hospital Walk and Talk Clinics to Sustainable Travel Collective (trading as Ridewise) by up to £22,000 for the next phase of the project subject to a successful pilot stage. This supplier was appointed to the pilot project by Invitation to Quote with the bids assessed by a partnership panel with comprising City Council and NUH representatives.
- 1.8 **Recommendations 4a, 4b and 4c** request approval to take the opportunity to create a procurement route that will also support delivery of forecast funding awards by building in additional value into each service framework proposed in Recommendation 3. This will streamline and future proof our procurement for active travel services. The values in Recommendation 4 include coverage for the Active Travel Social Prescribing programme under Recommendation 3 plus headroom to accommodate contracting for additional services under future active travel revenue funding programmes, subject to that funding being secured. Forecast future revenue funding streams include Capacity and Ambition Fund (bid submitted in September 2022) and Active Travel Fund 4 (fund launch pending). Note separate approvals would need to be requested to authorise acceptance and spend for any additional future funding streams, so this approval does not commit the council to spending this level of funding but would allow us to mobilise quickly as and when any further external active travel funding is secured.

- 1.9 **Recommendations 5a and 5b** seeks approval to make two direct awards of up to £200,000 to Nottingham City GP Alliance and up to £85,000 to Nottingham Volunteer Community Services (NCVS) to employ five new roles to support programme delivery in the community: Social Prescribing Link Worker Co-ordinator, three part-time Active Travel Link Workers and a Volunteer Development Officer. These five posts will be part of a shared social prescribing workforce and Nottingham City GP Alliance and NVCS will be responsible for all aspects of recruitment, employment, training and management. Funding will be paid in annual instalments under two new Service Level Agreements to be drawn up between the council, Nottingham City Place-based Partnership and Nottingham GP Alliance and between the council and NCVS. The GP Alliance are looking into opportunities to boost this provision with additional funding.
- 1.10 The funding package also includes provision for additional council staff resources to support programme delivery including a Programme Manager, a Project Officer and for support for project management, comms, and monitoring activities. **Appendix D** provides more information about these roles with a diagram of the proposed governance structure showing the additional programme posts.

2. **Background (including outcomes of consultation)**

- 2.1 Nottingham is one of eleven areas to be awarded a three year revenue grant by Department for Transport (DfT) to test approaches to delivering active travel behaviour change through social prescribing as part of a national evaluation programme.
- 2.2 The bidding process included a DfT grant funded feasibility study in spring 2022 approved under Portfolio Holder Delegated Approval 4555, January 2022. This involved over 60 stakeholders from 20 local health and community organisations. The Engagement Report is at <https://www.nottinghaminsight.org.uk/d/abzSACAr>. The key findings were:
- Social prescribing referrals in the city are mainly for mental health and wellbeing and/or social isolation, alongside financial difficulties
 - Physical activity and mental wellbeing are inter-twined and financial hardship is often a causal factor, so these factors need to be addressed together.
 - The importance of services being offered through trusted places and organisations and being representative of our communities so they accessible to and run by “people like me”.
- 2.3 The feasibility stage determined that St Ann’s/Sneinton, Beechdale/Aspley/Bilborough and Bulwell as the areas where active travel social prescribing could deliver the greatest benefits. This is based on health need combined with proximity to capital investment in walking and cycling infrastructure. Communities in these areas have significantly lower average healthy life expectancy, particularly for women. Referrals for mental health reasons comprise up to 65% of the Link Workers’ current caseload. Increasing uptake of walking and cycling can help to improve both physical and mental health and wellbeing outcomes.
- 2.4 Our programme aims to support up to 5,500 people by March 2025 through a combination of referral into community-led activities and more intensive personalised support programmes. This is equivalent to 8% of the city’s inactive population but the reach and impact of the programme is expected to be more as the benefits will ripple into the families and friends of those individuals taking part. Participation in the national pilot programme allows us to test approaches, which can be expanded to other areas of the city as funding becomes available through other travel behaviour change programmes.

- 2.5 The programme will provide over 17,000 opportunities (“activity places”) for people to take part in structured active travel offers through four support packages targeted to different audiences:
- **Level 1:** Community based family-friendly provision for low-income families in areas with the lowest female healthy life expectancy.
 - **Level 2:** Personalised small group and one to one active travel support on referral designed to be accessible to those experiencing poor mental health or social isolation.
 - **Level 3:** Nottingham University Hospital Trust Active Hospital Walking Clinics for adults with non-alcoholic fatty liver and women with gestational diabetes.
 - **Level 4:** Taster activities for social prescribers including GPs and Link Workers to build confidence and knowledge around prescribing walking and cycling activities.
- 2.6 This offer will be underpinned by:
- A virtual active travel support hub promoting walks and rides with activities calendar supported by Go Jauntly app providing curated package of hyper-local walks, and annual local walk challenge in each target community..
 - A community bike library of 60 accessible e-bikes/e-trikes including adapted and specialist bikes providing free four-week bike loans with a hub at Harvey Hadden.
 - Small-scale grants for community groups for cycle parking, lockers, pool bikes, safety equipment and hi-viz clothing to support.

Appendix E provides more detail about the programme outputs and outcomes.

3. **Other options considered in making recommendations**

- 3.1 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.
- 3.2 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.
- 3.3 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 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.

4. **Consideration of Risk**

- 4.1 A risk assessment was prepared as part of the bid submission. The key risks and mitigations identified for the delivery phase include:
- **Delays to funding award** impacting on effective programme start. This issue has already been raised with DfT/Active Travel England who have confirmed spend can be extended into 2025/26 to ensure a full delivery phase and completion of the post-project monitoring.

- **Resource capacity available to deliver the programme** The funding bid included for staff resources to support programme delivery and monitoring and evaluation activities and the full bid has been secured. Procurement frameworks are being put in place to enable the council to contract external providers to deliver active travel services along with external support for further co-design at the initiation stage and for an evaluation partner at the end of the programme. The procurement stage will require resources in procurement team and legal services to support tender preparation and award of contracts with the risk that lack of capacity in those teams combined to the short timeframe to be ready for service delivery by April 2023 could delay this stage.
- **Lack of uptake for the projects within the programme** Integration of the offer into the existing social prescribing system and working with target communities and stakeholders on a co-design approach to design the offer, with signposting and referrals through the social prescribing network supported by local communications will ensure the services are promoted to and are accessible for the target audience. Regular monitoring to support a test and learn approach will help to identify and address challenges which will be overseen by the Programme Board.

4.2 All issues and risks will be monitored, reviewed and managed by the Programme Board.

5. **Finance colleague comments (including implications and value for money/VAT)**

- 5.1 This Decision seeks to accept £1,588,785 of funding for the Active Travel Social Prescribing Pilot Scheme. The revenue grant will be paid under Section 31 of the Local Government Act, paid in 3 instalments, £571,962.60 in the Financial year 22/23, £508,411.20 in the Financial year 23/24 and £508,411.20 in the Financial year 24/25. Appendix B includes the detail of the expenditure through the programme –which slightly differs to the funding but does not have a deficit at any point through the 3 years.
- 5.2 This Decision is predicated by DDM4555 Active Travel Social Prescribing Pilot Programme - funding award for feasibility stage, published on 11/03/2022.
- 5.3 Two later DfT grants will additionally contribute to this work stream, if secured, but do not form part of this decision; Capacity and Ambition Fund (bid submitted 30 September 2022, outcome pending) and Active Travel Fund Tranche 4 (not yet launched, awaiting confirmation from DfT of the bidding process).
- 5.4 This Decision aligns with the council's Carbon Neutral 2028 commitments and help to deliver our strategies for sustainable transport and moving more and eating well for good health.
- 5.5 The Active Travel Social Prescribing Pilot Scheme is fully funded by the grant; Therefore the proposal will not add financial pressure to the MTFP and can be contained within Local Transport and is supported. This will be monitored by the service for any variance and reflected in the monthly forecast for the service.

Paul Rogers

Commercial Finance Business Partner (G&CD)

09/11/2022

6. **Legal colleague comments**

- 6.1 This decision seeks authority to accept the DfT offer of grant funding of £1,588,785 over three years to test approaches to deliver active travel.

- 6.2 The Council will need to comply with the conditions as set out in the Offer Letter dated 27th September 2022. These conditions include the requirement to meet the DfT's monitoring and evaluation requirements, reporting back to Active Travel England on progress and sharing data and evidence. The Council must have these requirements in mind when entering into contracts with 3rd parties and using the funding.
- 6.3 In undertaking the preparation and implementation of frameworks, or procuring services through existing frameworks, the Council must still ensure compliance with its own constitution and other legal requirements including the Public Contract Regulations 2015. In accessing services through existing frameworks, the Council must ensure that the terms and conditions imposed by those frameworks allow the Council to meet the funding conditions and that the Council can comply with the obligations of existing framework agreements.
- 6.4 There are numerous other legal agreements that will flow from the various recommendations in addition to the creation of framework agreements. All of these agreements need to allow for the Council to meet the DfT grant funding requirements and/or have provision for the clawback of funds from 3rd parties in appropriate circumstances.
- 6.5 The substantial volume of legal work required to implement the recommendations, the late notification of that work and the depleted resources with the relevant team in Legal Services has been highlighted as a risk.

Anthony Heath, Senior Solicitor, Contracts and Commercial, 14 November 2022.

7. Other relevant comments

7.1 Procurement comments

Procurement will support in the preparation and implementation of frameworks, ensuring these frameworks are commercially viable and fully compliant with the relevant legislations and procedures.

All of the named external frameworks are known by the procurement team and are a compliant vehicle for the Council to utilise.

The potential volume of work and the limited resource within the procurement team at this time have been highlighted as a risk.

Holly Fisher, Lead Procurement Officer, 14 November 2022

8. Crime and Disorder Implications (If Applicable)

8.1 Not applicable

9. Social value considerations (If Applicable)

9.1 The Feasibility Stage of the bidding process highlighted that to support participation in our target areas it will be important to provide services that delivered by "people like me". This will be achieved by using a range of trusted local providers working closely with community groups to build capacity. Opportunities to support the local community and voluntary sector will be considered in the programme commissioning to ensure that the

services are delivered by a workforce that is representative of our communities.

- 9.2 Taking a framework approach to procurement will allow us to draw from a pool of local providers that have the necessary expertise and skills to deliver walking and cycling support in the target communities. Many of the projects in the programme build on the good practice developed by these providers.
- 9.3 Working with local providers will create local jobs and volunteering opportunities around active travel services helping to develop skills and training in the local community as well as providing active travel solutions.

10. Regard to the NHS Constitution (If Applicable)

- 10.1 Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community. Although this is DfT led programme, it secures three year's revenue funding for the delivery of personalised active travel support package to be accessed through the Nottingham Place-based Partnership's social prescribing referral pathways. The Feasibility Study stage carried out in February to April 2022 helped to inform our understanding of the barriers to active travel for key inactive groups and this information along with continuing a co-design approach will be used to inform commissioning of active travel services, to ensure the services offered in the programme will support positive health outcomes for the target groups.

11. Equality Impact Assessment (EIA)

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

Yes



Attached as **Appendix F**, and due regard will be given to any implications identified in it.

12. Data Protection Impact Assessment (DPIA)

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

No, not yet, under development.



A Data Protection Impact Assessment is required to fully understand the personal data requirements and the implications for managing the data flows between the project partners, delivery partners and suppliers of the various walking and cycling support packages for patient referrals into services and to allow monitoring of participants' travel behaviour change in accordance with DfT's monitoring and evaluation requirements. This is a key work package for programme initiation which will feed into the specifications for the various delivery contracts for each of the programme activities. This work has started and will be completed by March 2023 before any services start.

13. Carbon Impact Assessment (CIA)

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

Yes



Attached as **Appendix G**, and due regard will be given to any implications identified in it.

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

14.1 None

15. Published documents referred to in this report

15.1 Active Travel Social Prescribing Feasibility Study April 2022 – final bid submitted to DfT <https://www.nottinghaminsight.org.uk/d/abzSAbNi>

15.2 Feasibility Study Stakeholder and Community Engagement Report April 2022 <https://www.nottinghaminsight.org.uk/d/abzSAcAr>

15.3 Active Travel Social Prescribing Pilot Programme - funding award for feasibility stage, Portfolio Holder Delegated Decision 4555, 11 January 2022



Department
for Transport

Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR
Tel: 0300 330 3000

Web Site: www.gov.uk/dft

DATE: 27th September 2022

To: jennie.maybury@nottinghamcity.gov.uk

RE: Active Travel Social Prescribing Pilot outcome – Nottingham City Council

Dear Jennie,

Thank you for submitting your application for the Active Travel Social Prescribing Pilot. We received a number of high-quality applications, so thank you for the time and effort that clearly went into the proposal.

Following assessment of the applications based on the Feasibility Study stage of the process I am delighted to confirm that your proposed scheme has been selected to become one of the Active Travel Social Prescribing Pilots. This decision must be kept under embargo until later in August when the Department and Active Travel England (ATE) are planning to announce the successful local authorities. However, we wanted to give you early notification to help with your planning and preparation.

Your Active Travel Social Prescribing Pilot allocation of **£1,588,785** will be paid as a revenue grant under Section 31 of the Local Government Act 2003. Your grant allocation will be paid in three instalments between 2022/23 and 2024/25 as shown in the table below with 36% of the grant being paid in year one and 32% in each of the subsequent years. Subject to receipt of your signed grant acceptance slip shown in Annex B.

Table 1

Local Authority	2022/23	2023/24	2024/25
Nottingham City Council	£571,962.60	£508,411.20	£508,411.20

The pilot programme will be managed by the Behaviour Change Programme team at ATE and will be the first multi-year funded project delivered by the new agency.

I am pleased to say that Declan O'Regan will be shortly joining ATE on secondment from Cycling UK to lead the delivery of the pilot programme, building on the previous work of Jenny Box who has now returned to Cycling UK.

I know Declan and the wider ATE team are looking forward to working with you over the next three years, including through the community of practice approach we have used to date.

If you have any questions on the next steps, until Declan arrives, please get in touch via email (kevin.golding-williams@dft.gov.uk) or phone (07765 598945).

Generating evidence of what works and learning lessons for future delivery is a crucial part of the Active Travel Social Prescribing Programme. Monitoring and evaluating (M&E) of your pilot and working with ATE to ensure M&E requirements are met is a condition of funding. You will be expected to report back to ATE on progress and to share evaluation data and evidence to feed into the national evaluation (I have attached the PowerPoint of the M&E requirements provided during the feasibility stage by way of a reminder. ATE is keen to ensure funded pilots are evaluated in a consistent way and Declan will be in touch shortly to discuss your M&E plans, revised timelines and to provide further advice. It is important to note that pilots **must not** commence without agreeing your monitoring and evaluation plan with ATE in advance.

For now, please arrange for your Section 151 Officer to sign and date the grant acceptance slip in Annex B and return it to contact@activetravelengland.gov.uk Please use the subject: Social Prescribing Pilot Grant Acceptance Slip. We will then issue your grant determination letter and make the first payment in September 2022.

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Golding-Williams'.

Dr Kevin Golding-Williams
Head of Cycling and Walking Policy

ANNEX A

INFORMATION ON RECEIVING GRANT

1. The grant will be paid in three instalments from September 2022 subject to receipt of your signed acceptance slip.
2. Our grant may be audited by the Department or external auditors, and if this is the case, the Department will notify your authority in writing. The authority is expected to comply with any such arrangements.
3. It is suggested that claimants familiarise themselves with the Fraud Act 2006 and the Bribery Act 2010 when making claims, and in provision of funding to partner organisations.
4. Personal information collected for grant purposes will be used by the Department for Transport for administering the pilot. We may share information for the purposes of countering fraud or otherwise as required or permitted by law.
5. The Department will observe its obligations under the Data Protection Act 1998 in responding to requests made under the Freedom of Information Act 2000. Where a request includes personal information that you have provided, we will consult you before deciding whether such information should be disclosed. Information about junior staff who are not in public facing roles will not normally be disclosed.

ANNEX B

Grant Acceptance Slip

I acknowledge receipt of this Active Travel Social Prescribing Pilot fund letter for the activities set out in the funding bid.

And

I accept the grant offer on behalf of Nottingham City Council subject to the conditions set out in this letter. I confirm that I am lawfully authorised to do so

Signed.....

Please print name.....

Position.....

Date.....

Please sign and email a scanned copy to contact@activetravelengland.gov.uk



Danny Williams
CEO
Active Travel England
3rd Floor
Great Minster House
33 Horseferry Road
London
SW1P 4DR
Danny.Williams1@activetravelengland.gov.uk
07714088565

jennie.maybury@nottinghamcity.gov.uk

Web Site:
www.gov.uk/government/organisations/active-travel-england

Dear Jennie,

Active Travel Social Prescribing Pilot funding

Further to our letter dated Friday 19th August 2022 confirming your Active Travel Social Prescribing pilot funding grant allocation, I am writing to issue your grant determination for this funding.

As previously mentioned, your grant is awarded on the understanding that your authority will deliver the objectives as set out in your Active Travel Social Prescribing Pilot bid of March 2022.

This grant may be subject to rules on subsidy control. It is the responsibility of the receiving organisation to satisfy themselves that they are compliant with the rules on subsidy control when using this funding.

You are requested to include Active Travel England branding on relevant publicity material for the pilots. Please contact us at Contact@activetravelengland.gov.uk to request permission and to access branding guidelines.

The information contained in this letter and its annexes should be brought to the attention of all relevant staff in the authority.

Yours sincerely,

A handwritten signature in black ink, reading "D. Williams", with a red horizontal line underneath.

Danny Williams

ANNEX A

ACTIVE TRAVEL FEASIBILITY STUDY FUND GRANT DETERMINATION 2022/23 No 31/6322

The Minister of State for Department for Transport (“the Minister of State”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, makes the following determination:

Citation

1) This determination may be cited as the Active Travel Social Prescribing Determination 2022/23 No 31/6322.

Purpose of the grant

2) The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them.

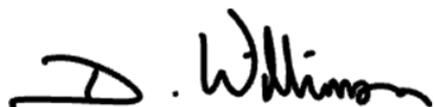
Determination

3) The Minister of State determines as the authorities to which grant is to be paid and the amount of grant to be paid, the authorities and the amounts set out in Annex B.

Treasury consent

4) Before making this determination in relation to local authorities in England, the Minister of State obtained the consent of the Treasury.

Signed by authority of the Minister of State for Department for Transport



22nd November 2022.

ANNEX B

Local Authority/Combined Authority name	Funding amount to be paid in Year 1 (£)
Nottingham City Council	£571,962.60

This page is intentionally left blank

Appendix B: Active travel Social Prescribing programme – project allocations - supporting information for report recommendation 2

Table 1: Overview of programme by workstrand

Active Travel Social Prescribing	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf (M&E only)	Total	Notes
Programme staffing	£29,000	£236,000	£236,000	£81,250	£582,250	
S1. City Council programme management staff resource = 2.1 FTE posts	£29,000	£106,000	£106,000	£60,000	£301,000	0.8FTE Programme Manager, 1 new Project Officer, support from project management, monitoring and comms specialists, including on costs and pay increases.
S2. Nottingham City GP Alliance staff resources = 2.5 FTE posts	£0	£93,000	£93,000	£11,250	£197,250	1FTE Social Prescribing Link Worker Network Co-ordinator and 3 x 0.5FTE Active Travel Community Connectors Apr 23 to Jun 25
S3. Nottingham Volunteer Community Services staff resource = 1.0 FTE post	£0	£37,000	£37,000	£10,000	£84,000	1FTE Volunteer Development Officer Apr 23 to Jun 25 including contribution for matrix management and training for social prescribers
Programme delivery activities – projects PM1 – PM3	£41,000	£24,035	£15,000	£12,000	£92,035	
PM1. Co-design activities to support service design	£25,000	£5,000	£0	£0	£30,000	Activities to support programme delivery: community engagement to co-design projects in the intervention package, comms materials to promote benefits of active travel to social prescribers and clients, M&E activities
PM2. Active travel marketing	£16,000	£14,035	£10,000	£0	£40,035	
PM3. Programme monitoring and evaluation	£0	£5,000	£5,000	£12,000	£22,000	
Foundation programme-wide - projects F1 – F9	£213,000	£47,100	42,300	£0	£302,400	
F1. Contribution to GreenMap resource	£5,000	£0	£0	£0	£5,000	Projects to help reduce the barriers to walking and cycling around information about activities, routes and access to suitable bikes and equipment to support delivery of the tiered intervention programme.
F2. Go Jauntly partnership package	£14,950	£5,000	£5,000	£0	£24,950	
F3 – F9: Accessible Bike library service incl. bike fleet, Harvey Hadden Hub and service operation	£193,050	£42,150	£37,300	£0	£272,500	
Tiered Intervention Package - projects P1 – P27	£3,250	£270,000	£259,850	£9,000	£542,100	
Level 1 Community family-focused support available for self-referral (Projects L1.P1 - L1.P9)	£2,000	£124,700	£117,700	£4,600	£249,000	Local activities and walking and cycling support delivered in the targets community in one to one or small group basis
Level 2 Activities on referral - 1 to 1 and group activities (Projects L2.P10 – L2.P19)	£0	£120,300	£122,800	£4,400	£247,500	
Level 3 NUHT Active Hospitals Walking Clinics (Projects L3.P20 - L3.P21)	£0	£12,000	£9,600	£0	£21,600	
Level 4 Supporting an active travel culture amongst GPs and social prescribers (Projects L4.P22 – L4.P23)	£1,250	£13,000	£9,750	£0	£24,000	
Total spend	£286,250	£615,735	£596,550	£90,250	£1,588,785	

Table 2: Breakdown of project allocations

Ref	Active Travel Social Prescribing Programme Workstrand/Project description	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total
		Set up Jan to Mar 23	12 mths delivery	12 mths delivery	M&E only to Sep 25	
Cross partnership programme staffing		£29,000	£236,000	£236,000	£81,250	£582,250
S1	City Council programme management 2.1 FTE posts including Programme Manager, new Project Officer and support from project management, comms and monitoring and evaluation specialists	£29,000	£106,000	£106,000	£60,000	£301,000
S2	Nottingham City GP Alliance 2.5 FTE posts: 1FTE Social Prescribing Link Worker Network Co-ordinator and 3 x 0.5FTE Active Travel Community Connectors Apr 23 to Jun 25	£0	£93,000	£93,000	£11,250	£197,250
S3	Nottingham Volunteer Community Services staff resource: 1FTE Volunteer Development Officer Apr 23 to Jun 25 @ £30k pa per FTE including contribution for matrix management and training for social prescribers	£0	£37,000	£37,000	£10,000	£84,000
Programme delivery activities		£41,000	£24,035	£15,000	£12,000	£92,035
PM1	PM1. Externally contracted co-design activities with community groups and stakeholders to support service design, specification and tendering supported by My Life Choices patient involvement group	£25,000	£5,000	£0	£0	£30,000
PM2	PM2. Active travel marketing: design & print, paid for social media posts, local walk/cycle maps and videos, and myth busting resources about benefits of walking and cycling for different health conditions	£16,000	£14,035	£10,000	£0	£40,035
PM3	PM3. End of programme evaluation activities supported by academic research partner (tbc) eg focus groups, case studies, 6mth post activity surveys	£0	£5,000	£5,000	£12,000	£22,000
Foundation programme-wide - projects F1 – F9		£213,000	£47,100	42,300	£0	£302,400
F1	F1. Contribution to Nottingham Open Spaces Forum GreenMap resource	£5,000	£0	£0	£0	£5,000
F2	F2. Go Jauntly partnership package for white labelled walking app with curated walks and associated comms over 2.5 years	£14,950	£5,000	£5,000	£0	£24,950
F3	F3. Ebike/adapted bike library service operating costs to co-ordinate hires and transport bikes via external supplier based on weekly hire session with 10 bikes available each week for 4 week hire period. Inclusive of fleet maintenance and parts, monthly per bike.	£4,500	£37,300	£37,300	£0	£79,100
F4	F4. Ebike conversions from second hand stock - 20 bikes	£12,000	£0	£0	£0	£12,000
F5	F5. Adapted bike and e-bike fleet 20 bikes = 10 e-bikes incl side by side bikes and 10 e-trikes	£70,050	£0	£0	£0	£70,050
F6	Ebike fleet plus accessories = 20 bikes @ £1500	£30,000	£0	£0	£0	£30,000
F7	GPS tracking for 60 bikes - kit and data package	£9,000	£3,600	£3,600	£0	£16,200

Ref	Active Travel Social Prescribing Programme Workstrand/Project description	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total
F8	Insurance @ £80 per bike x 60	£0	£4,800	£4,800	£0	£9,600
F9	Bike library base at Harvey Hadden including minimum of storage units to accommodate 60 adapted and specialist bikes and trikes, (with modular office/workshop unit, suitable for customer access subject to securing additional funding)	£67,500	£0	£0	£0	£67,500
Level 1 Community family-focused support available for self-referral (Projects L1.P1 - L1.P9)		£2,000	£124,700	£117,700	£4,600	£249,000
L1.P1 L1.P7	Community cycle centre package accessed via referral route using appointment system including: Project 7: Cycling for All all ability group cycle training in supportive environment - indoors with access to accessible bike fleet	£2,000	£50,500	£50,500	£2,000	£105,000
L1.P2	Community led group walks programme	£0	£4,500	£4,500	£1,000	£10,000
L1.P3 L1.P8	Community led rides programme incl Project 8: Supported tandem rides for people with visual impairment	£0	£9,700	£9,700	£600	£20,000
L1.P4	Cycle maintenance training - mixed provision	£0	£30,000	£23,000	£1,000	£54,000
L1.P5	Establish Dr Bike champions network					
L1.P6	Dr Bike – pop up service					
L1.P9.	Local intervention budget for prioritisation by community activators	£0	£30,000	£30,000	£0	£60,000
Level 2 Activities on referral - 1 to 1 and group activities (Projects L2.P10 – L2.P19)		£0	£120,300	£122,800	£4,400	£247,500
L2.P10	PTP support offer – will link with projects 11,12,13,14	£0	£29,500	£29,500	£1,000	£60,000
L2.P11	1to1 walking buddy offer	£0	£30,000	£28,000	£2,000	£60,000
L2.P13	Graded local 1to1 buddy walks course with PTP					
L2.P14	Graded group led walks package					
L2.P12	1to1 cycle buddy - training and/or graded buddy rides	£0	£4,750	£4,750	£500	£10,000
L2.P15	Group cycle training - mixed provision	£0	£9,800	£9,800	£400	£20,000
L2.P16	Build A Bike - mixed provision	£0	£9,000	£13,500	£0	£22,500
L2.P17	Ebikes exercise on prescription support package	£0	£16,000	£16,000	£0	£32,000

Ref	Active Travel Social Prescribing Programme Workstrand/Project description	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total
L2.P18	Women only bike services and support package offering: Monthly basic bike maintenance offer Monthly maintenance evening classes Women's Earn a Bike course Women only cycle services: Women only short & long group rides	£0	£16,500	£16,500	£0	£33,000
L2.P19	Female community ride leader development package	£0	£4,750	£4,750	£500	£10,000
Level 3 NUHT Active Hospitals Walking Clinics (Projects L3.P20 - L3.P21)		£0	£12,000	£9,600	£0	£21,600
L3.P20	NUHT Active Hospital non-alcoholic fatty liver clinic walks	£0	£12,000	£9,600	£0	£21,600
L3.P21	NUHT Active Hospitals gestational diabetes clinic walks					
Level 4 Supporting an active travel culture amongst GPs and social prescribers (Projects L4.P22 – L4.P23)		£1.250	£13,000	£9,750	£0	£24,000
L4.P22	Developing active travel culture for health professionals and referral partners through small scale taster activities in including cycle training and led rides	£1.250	£13,000	£9,750	£0	£24,000
L4. P23	Suite of myth busting resources about benefits of walking and cycling for different health conditions for use by social prescribers – funding allocation under PM2 Programme Marcomms	-	-	-	-	-
		Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total
	Total allocations (forecast spend)	£286,250	£615,735	£596,550	£90,250	£1,588,785
	Expected spend profile	18%	39%	38%	6%	100%
	Annual grant award payments – see letter in Appendix A	£571,963	£508,411	£508,411	£0	£1,588,785
	Grant payment profile	36%	32%	32%	0%	100%
	Variance between grant award profile and proposed allocations	£285,713	-£107,324	-£88,139	-£90,250	£0
	Income = grant award + carry forward of any unspent grant from previous year	£571,963	£794,124	£686,800	£90,250	£1,588,785
	Forecast spend (based on allocations)	£286,250	£615,735	£596,550	£90,250	£1,588,785
	Variance between forecast spend and income	£285,713	£178,389	£90,250	0	£0
	- proposed spend never exceeds income in any year and balances at zero at programme end					

Appendix C: Active travel Social Prescribing programme – Procurement Strategy
Supporting information for report recommendations 3a, 3b, 3c, 3d, 3e, 3f, 3g

Table 1: Overview of procurement strategy by programme workstrand (excluding staff costs)

Active Travel Social Prescribing	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf (M&E only)	Total	Notes
						Note staff costs have not been included in this table.
Programme delivery activities – projects PM1 – PM3	£41,000	£24,035	£15,000	£12,000	92,035	The different walking and cycling support services in each workstrand Levels 1-4 are supported by – programme management activities PM 1-PM3, and – programme-wide projects F1 to F9.
PM1. Co-design activities to support service design, specification and tendering	£25,000	£5,000	£0	£0	£30,000	
PM2. Active travel marketing	£16,000	£14,035	£10,000	£0	£40,035	
PM3. Programme monitoring and evaluation	£0	£5,000	£5,000	£12,000	£22,000	DfT facilitated introductions to selected external suppliers including Go Jauntly as part of the feasibility stage and a costed proposal has been prepared.
Foundation programme-wide - projects F1 – F9	£213,000	£47,100	42,300	£0	£302,400	
F1. Contribution to GreenMap resource	£5,000	£0	£0	£0	£5,000	
F2. Go Jauntly partnership package	£14,950	£5,000	£5,000	£0	£24,950	The Bike Library project comprises bike fleet, operational delivery and contribution towards creation of a bike library storage and maintenance hub at Harvey Hadden.
F3 – F9: Accessible Bike library service incl. bike fleet, Harvey Hadden Hub and service operation	£193,050	£42,100	£37,300	£0	£272,450	
Tiered Intervention Package - projects P1 – P23	£3,250	£270,000	£259,850	£9,000	£542,100	
Level 1 Community family-focused support available for self-referral (Projects L1.P1 - L1.P9)						Procurement strategy is to group small-scale projects across each workstrand (Levels 1-4) under the following categories to streamline procurement: – Walking services – Cycle training services – Bike maintenance /training services – PTP activities – Other specialist or standalone projects Where possible suppliers will be appointed via the relevant service framework on a call-off basis. As not all these frameworks are in place yet, packages of similar activities will be procured on the basis of 3 quotes up to £99k or via tender over £100k as an alternative route to market.
	£2,000	£124,700	£117,700	£4,600	£249,000	
Level 2 Activities on referral - 1 to 1 and group activities (Projects L2.P10 – L2.P19)	£0	£120,300	£122,800	£4,400	£247,500	
Level 3 NUHT Active Hospitals Walking Clinics (Projects L3.P20 - L3.P21)	£0	£12,000	£9,600	£0	£21,600	
Level 4 Supporting an active travel culture amongst GPs and social prescribers (Projects L4.P22 – L4.P23)	£1,250	£13,000	£9,750	£0	£24,000	

Table 2: Procurement strategy for projects grouped by activity category

Active Travel Social Prescribing Programme Workstrand/Project	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total	Procurement route	Contract type
	Set up Jan to Mar 23	12 mths delivery	12 mths delivery	M&E only to Sep 25			
Programme delivery							
PM1. Co-design activities to support service design, specification and tendering supported by My Life Choices	£25,000	£5,000	£0	£0	£30,000	Contract consultants up to £25,000 on ESPO Framework 664 Lot 5. Integrated Transport Planning Ltd (ITP) has been provisionally approached. ITP supported the stakeholder engagement for the Feasibility Stage. Using the same team to support the next phase of the co-design package will build on the expertise and positive relationships established in the initial phase. ITP can be appointed via the Espo framework. £5,000 to cover expenses for input from My Life Choices patient co-design group.	ESPO standard service contract
PM2. Active travel marketing (D&P, paid for SM posts, local walk/cycle maps and videos, and myth busting resources about benefits of walking and cycling for different health conditions to support Level 4 projects	£16,000	£14,035	£10,000	£0	£40,035	Small scale commissions via council's corporate communications team and Design & Print	Pentana
PM3. End of programme evaluation activities eg focus groups, case studies, 6mth post activity surveys	£0	£5,000	£5,000	£12,000	£22,000	Small-scale contract under £25k potentially to appoint an academic research partner based on quotes along with assessment of suitability of the partner's research specialities and any match or in-kind contributions the partner can offer.	PO
Walking activation							
F1. Contribution to GreenMap resource	£5,000	£0	£0	£0	£5,000	Grant contribution to Nottingham Open Spaces Forum for partnership project	PO

Active Travel Social Prescribing Programme Workstrand/Project	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total	Procurement route	Contract type
F2. Go Jauntly partnership package for white labelled app with curated walks over 2.5 years	£14,950	£5,000	£5,000	£0	£24,950	Direct award below £25k based on quote for unique supplier of specific product. Full consideration of any GDPR implications for use of this supplier's product will be explored with Information Compliance prior to contract award.	Simple contract via Procurement
L1.P2. Community led group walks programme	£0	£4,500	£4,500	£1,000	£10,000	3 quotes via etendering up to £75k for walking services framework to be developed.	Simple contract issued via Procurement
L2.P11. 1to1 walking buddy offer	£0	£30,000	£28,000	£2,000	£60,000		
L2.P13. Graded local 1to1 buddy walks course with PTP							
L2.P14. Graded group led walks package							
L3.P20. NUHT Active Hospital non-alcoholic fatty liver clinic walks	£0	£12,000	£9,600	£0	£21,600	Ridewise awarded pilot of walk and talk clinic project up to £9,990 in 22/23 via invitation to quote. Approval requested to extend existing contract with Ridewise by a further £22k subject to successful pilot stage.	Simple contract issued via Procurement
L3.P21. NUHT Active Hospitals gestational diabetes clinic walks							
Cycling activation							
E-bike library							
F3. Ebike/adapted bike library service operating costs to co-ordinate hires and transport bikes via external supplier based on weekly hire session with 10 bikes available each week for 4 week hire period. Inclusive of fleet maintenance and parts, monthly per bike.	£4,500	£37,300	£37,300	£0	£79,100	Contract for operator for the bike library is below £100k and can be appointed via initiation to quote. Contract to include all operational activities for management of hires and bike maintenance. Service will also manage an additional 40 fleet purchased and owned by NCC.	Contract support from Legal Services will incl purchase of the bikes, service contract with the appointed operator for management of the bike hire and fleet maintenance, loan agreement for the use

Active Travel Social Prescribing Programme Workstrand/Project	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total	Procurement route	Contract type
						Local provider of community bike library to be notified of the tender opportunity.	of the bike fleet and advice on form of loan agreements between the operator and individual, community and other providers loaning bikes to support operation.
F4. Ebike conversions from second hand stock - 20 bikes	£12,000	£0	£0	£0	£12,000	Supplier selected via 3 quotes.	PO
F5. Adapted bike and e-bike fleet 20 bikes = 10 e-bikes incl side by side bikes and 10 e-trikes	£70,050				£70,050	Purchases for various suppliers based on 3 quotes - specialist e-bike range from £2.2k - £4.5k each, not expecting to spend more than £25k -£50k with any single supplier	Simple contract issued via Procurement
F6. Ebike fleet plus accessories = 20 bikes @ £1500	£30,000	£0	£0	£0	£30,000	Supplier selected via 3 quotes – previously Raleigh have provided a good deal and to be invited to quote	PO
F7. GPS tracking for 60 bikes - kit and data package	£9,000	£3,600	£3,600	£0	£16,200	Supplier selected via 3 quotes – data aspects to be agreed with information Compliance before supplier selected	PO
F8. Insurance @ £80 per bike x 60	£0	£4,800	£4,800	£0	£9,600	Via NCC insurance	
F9. Bike library base at Harvey Hadden including minimum of bike storage units to accommodate 60 bikes, and ideally modular office/workshop unit, suitable for customer access	£67,500	£0	£0	£0	£67,500	Contribution to NCC Communities to create base and storage at Harvey Hadden - procurement of required works to be managed by NCC Communities	Note legal support maybe required around contract for install of modular cabin and storage unit and lease agreement for use of the base by the appointed bike library operator

Active Travel Social Prescribing Programme Workstrand/Project	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total	Procurement route	Contract type
Cycle training activities to be awarded via call off against cycle services framework where possible							
L1.P1. Community cycle centre package accessed via referral route using appointment system including: Project 7:	£2,000	£50,500	£50,500	£2,000	£105,000	Full tender under FTS threshold or call off via community cycle training lot in cycle training framework in preparation.	Simple service contract from Legal Services
L1.P7. Cycling for All all ability group cycle training in supportive environment - indoors with access to accessible bike fleet							
L1.P3. Community led rides programme incl Project 8:	£0	£11,700	£11,700	£600	£24,000	Small-scale award up to £25k based on 3 quotes or call off via community cycle training lot in cycle training framework in preparation	PO
L1.P8. Supported tandem rides for people with visual impairment							
L2.P18b. Women only cycle services: Women only short & long group rides							
L2.P12. 1to1 cycle buddy - training and/or graded buddy rides	£0	£4,750	£4,750	£500	£10,000	Small-scale award based on 3 quotes or call off via community cycle training lot in cycle training framework in preparation	PO
L2.P15. Group cycle training - mixed provision	£0	£9,800	£9,800	£400	£20,000	Small-scale award based on 3 quotes or call off via community cycle training lot in cycle training framework in preparation	PO
L2.P17. Ebikes exercise on prescription support package	£0	£16,000	£16,000	£0	£32,000	3 quotes via etendering up to £32k. Option to include provision of exercise on prescription pilot within contract for F3 Bike Library Operator but this would take the total package value up to £112k requiring full tender below FTP threshold, delaying award of contract F3.. Local provider of pilot ebike exercise on prescription package to be notified of the tender opportunity.	Contract support from Legal Services for loan agreements between the operator, the provider and the clients..

Active Travel Social Prescribing Programme Workstrand/Project	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total	Procurement route	Contract type
L2.P19. Female community ride leader development package	£0	£4,750	£4,750	£500	£10,000	Small scale provision as direct award to British Cycling within partnership programme or call off via community cycle training lot in cycle training framework in preparation	PO
Bike maintenance activities and maintenance training to be awarded via call off against cycle maintenance services framework where possible							
L1.P4. Cycle maintenance training - mixed provision	£0	£30,000	£23,000	£1,000	£54,000	Full tender under FTS threshold up to £110,000 for projects 4,5,6,16, 22a or call off via framework for bike maintenance and maintenance training services (to be prepared).	Simple service contract from Legal Services
L1.P5. Establish Dr Bike champions network							
L1.P6. Dr Bike – pop up service							
L2.P16. Build A Bike - mixed provision	£0	£9,000	£13,500	£0	£22,500	Local providers Nottingham Bikeworks and Women in Tandem to be notified of the tender opportunity.	
L2.P18a. Women only bike mechanics services and support package offering: Monthly basic bike maintenance offer Monthly maintenance evening classes Women's Earn a Bike course	£0	£14,500	£14,500	£0	£29,000		
Other activities							
L1.P9. Local intervention budget for prioritisation by community activators	£0	£30,000	£30,000	£0	£60,000	Small-scale provision up to £10k per area per annum, either direct awards or call off from relevant framework, include £20k in value in each framework to accommodate call off.	POs
L2.P10. PTP support offer – will link with projects 11,12,13,14	£0	£29,500	£29,500	£1,000	£60,000	Appoint provider for PTP support on call off basis up to £60k via existing framework through Midlands Highway Alliance PSP3 or ESPO Framework 645 Lot 5.	Template service contract within the framework

Active Travel Social Prescribing Programme Workstrand/Project	Year 1 22/23	Year 2 23/24	Year 3 24/25	25/26 cf if req	Total	Procurement route	Contract type
L4.P22 Developing active travel culture for health professionals and referral partners through small scale taster activities in including cycle training and led rides	£1.250	£13,000	£9,750	£0	£24,000	Small-scale provision up to £10k per year, via either direct awards or call off from relevant framework (included up to £8k in each framework)	POs up to £10k or via framework

This page is intentionally left blank

Appendix D: Background to support Recommendations 5a and 5b

1. Our active travel social prescribing programme was developed with the Nottingham Place-based Partnership who are committed to social prescribing. An NHS funded network of Social Prescribing Link Workers is already established across the city supporting GP services and as part of this offer Nottingham Volunteer Community Services (NCVS) runs the Greenspace social prescribing programme to support access to nature for mental health and wellbeing.
2. To be successful the active travel social prescribing programme needs to be embedded within this established social prescribing workforce to ensure the end services are provided to the people who would most benefit and will be most effective employed by our bid partners Nottingham City GP Alliance and Nottingham Community Volunteer Service. Furthermore the existing Link Workers do not have capacity to focus on active travel support specifically so additional community-based Active Travel Link Worker roles are needed to support community activation for walking and cycling in the three target communities.
3. Therefore the programme allocations set out in **Appendix B** include funding for these partner organisations to employ five posts in front-facing delivery roles to provide additional resource to support the referral process for active travel social prescribing. The responsibility for programme management including monitoring and evaluation will sit with council and the funding package also includes provision for additional council staff resources to support programme delivery including a Programme Manager, a Project Officer and for support for project management, comms, and monitoring activities. Having a cross-partnership delivery team secures the buy-in of the key delivery partners and harnesses the strengths of the individual partner organisations. The diagram at the end of this appendix shows how each partner organisation will support the programme delivery with the additional programme posts to be funded highlighted with yellow text.
4. There is an additional local delivery budget of £60,000 (£10,000 per area per year) to enable commissioning of additional small-scale provision to meet area specific needs to complement the main delivery programme, which the shared delivery team will be able to call on.
5. **Justification for Recommendation 5a**
 - 5.1 Recommendation 5a seeks approval to make a direct award of up to £200,000 to Nottingham City GP Alliance to employ four roles up to March 2025.
 - 5.2 The Link Workers for the delivery areas for this programme are employed by Nottingham City GP Alliance so these new project posts will form part of that team and the GP Alliance will be responsible for all aspects of recruitment, and employment, with line management provided by the Primary Care Network Manager in each area.
 - 5.3 The four funded roles at the Nottingham City GP Alliance (NCGPA) comprise:
 - a Social Prescribing Link Worker Co-ordinator post
 - three half time (3 x 0.5 full time equivalents) Active Travel Link Workers
 - 5.4 The Social Prescribing Link Worker Co-ordinator will maximise the impact of the existing link worker network and support patient referral processes including triage of patients into the programme and proactive identification of suitable participants who can be encouraged to self-refer into the support package.
 - 5.5 The Active Travel Link Workers will provide a recognised single point of contact for the project in each delivery area. They will provide buddying support for participants to ensure people take up the support opportunities offered and then support their transition into other community or volunteer led groups to sustain active travel behaviour change. They will work very closely with the area grant lead organisations in each area. They will also be champions for active travel in the healthcare workforce to embed an active travel culture and to build confidence in the benefits of prescribing walking and cycling intervention amongst social prescribers and GPs.

- 5.6 The Nottingham City GP Alliance is exploring the option to secure additional funding to recruit these roles as full time posts with a dual function as Social Prescribing Link Workers with a lead for promotion of active travel.
- 5.7 These posts are shown in blue in the primary care section of the organisational diagram.

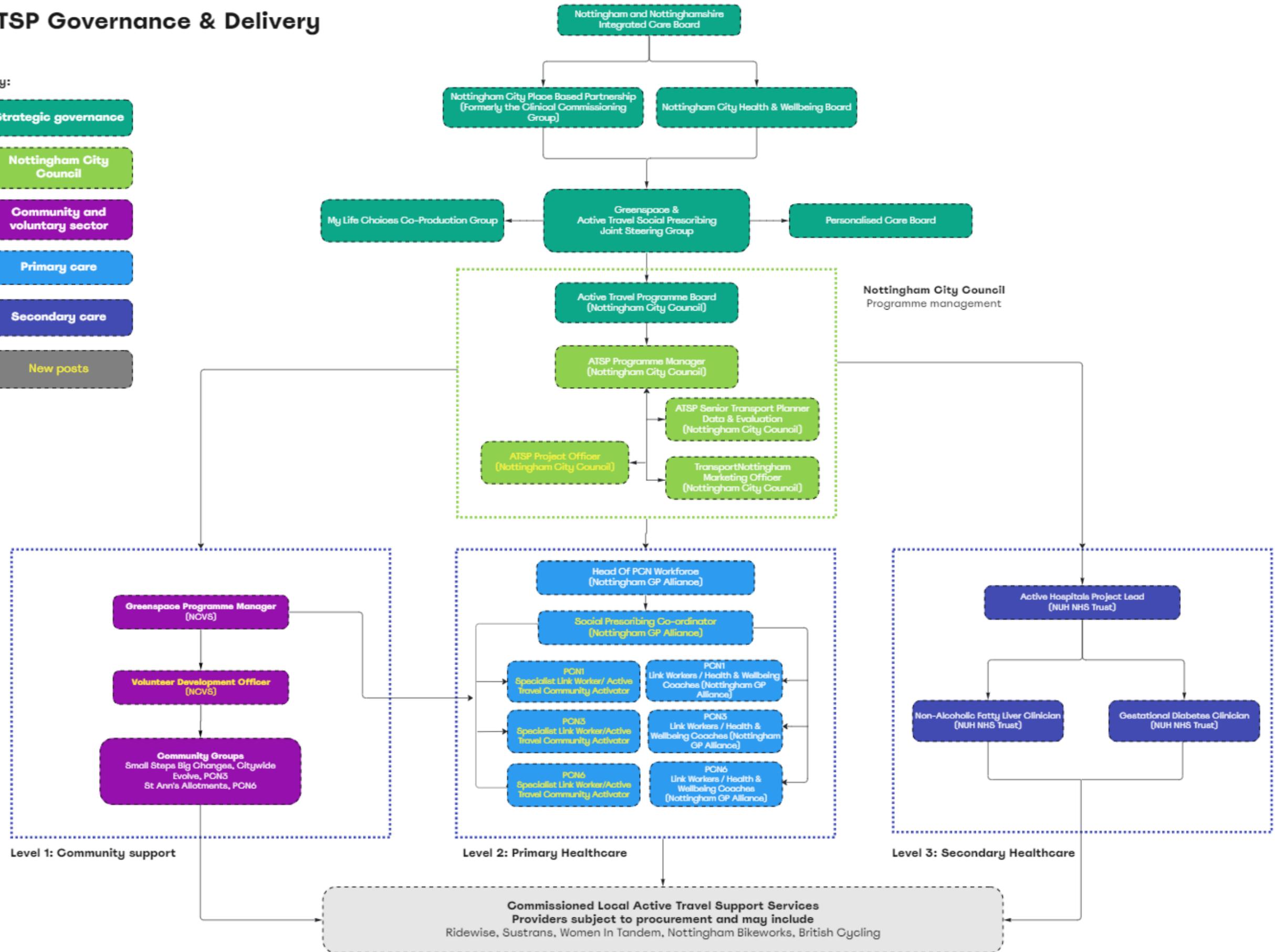
6. Justification for Recommendation 5b:

- 6.1 Recommendation 5b seeks approval to make a direct award of up to £85,000 to Nottingham Volunteer Community Services (NCVS) to employ a Volunteer Development Officer until June 2025
- 6.2 It is proposed this post is employed by Nottingham Community and Voluntary Services (NCVS). Nottingham Volunteer Community Services are the umbrella provider for community and volunteer services and already host the Greenspace social prescribing team. The Greenspace social prescribing programme managed by Nottingham Community and Voluntary Services has established processes and good practice for social prescribing for improving mental health and wellbeing in the city. All responsibilities for recruitment, employment and training and management of this post would sit with NCVS.
- 6.3 The Volunteer Development Officer will develop volunteer networks and community capacity to foster group and self-led activities working alongside the current Greenspace team to embed the processes and learning already established through Greenspace into the new programme. This post is shown in purple in the community and voluntary section of the organisational diagram.
- 6.4 The partners are exploring a matrix management approach to ensure the linkages across the social prescribing system with NCVS supporting the line management and the training of the Active Travel Link Workers.

ATSP Governance & Delivery

Key:

- Strategic governance
- Nottingham City Council
- Community and voluntary sector
- Primary care
- Secondary care
- New posts



This page is intentionally left blank

Appendix E

Nottingham City Active Travel Social Prescribing Pilot - Objectives and Outputs

What are we trying to do?

- Our programme aims to make walking and cycling accessible, by offering local tailored support to reach people in three areas of the city, who would most benefit from moving more, being more connected to people and places, and better mental health and wellbeing.
- We want to explore how we can use social prescribing to improve our understanding of “what matters to me” for our target groups to support behaviour change to active travel for people previously not engaged or unable to take part, due to health, confidence, mental wellbeing, mobility, or other physical or financial barriers.

Why are we doing this?

The feasibility study stage undertaken February to April 2022 engaged with over 60 stakeholders from 20 local and community organisations. They told us:

- The majority of social prescribing referrals in the city are for mental health and wellbeing and/or social isolation, alongside financial difficulties
- Physical activity and mental wellbeing are intertwined and financial hardship is often a causal factor, so these factors need to be addressed together.
- The importance of services being offered through trusted places and organisations and being representative of our communities so they accessible to and run by “people like me”.
- Ensuring that our social prescribers are passionate advocates for active travel and so there is role for this programme to support that wider active travel culture change across the system, as well as supporting citizens.

We want to:

1. Encourage more active travel to address health inequalities in three areas of the city, with a focus on low income families, women, differently-abled people and people needing support with mental health & wellbeing or experiencing social isolation.
2. Address barriers for under-represented groups by providing inclusive access to services and places for walking and cycling, including to bikes and associated clothing and equipment and by increasing visibility of “people like me” amongst participants and service providers.
3. Increase the physical and mental health and wellbeing of participants through walking and cycling.
4. Test the relationship between creating places for walking and cycling and active travel social prescribing measures to increase the uptake of walking and cycling.
5. Encourage a switch to active travel by giving people positive walking and cycling experiences and support to develop active travel habits and support community-led activities to continue the support.
6. Develop a positive active travel culture across the social prescribing workforce.
7. Build the local evidence base to improve our understanding of the benefits of active travel for different health conditions.

How many people will we help?

Expected demand:

- Up to 80% of referrals to the Link Workers in the target areas may be suitable for support from the programme, equating to an estimated 4,800 patients over 24 months,
- Financial circumstances impact on stress, and which impact's on people's mental and physical wellbeing, Therefore the number of people needing support is expected to increase as the cost of living rises. Also as the benefits of active travel as a social prescribing option becomes more familiar, we expect this will also increase demand for the offer.
- Our programme aims to support **up to 5,500 people** (about 76 people per month in each area) through a combination of referral into self/peer-led activities and more intensive personalised support programmes by March 2025.
- **This is equivalent to 8% of the city's inactive population** (an estimated 65,000 people, Active Nottinghamshire data).
- Note the actual reach and impact of the programme is expected to be more than 5,500 people as the benefits will ripple into the families and friends of those individuals taking part.

How many activities will be on offer?

- The programme will provide **over 17,000 opportunities (“activity places”)** for people to take part in structured active travel offers.
- This means each person can take part in around three services to provide a personalised support package. For example, cycle training plus journey planning or journey buddying along with a bike library loan, Or attending several pop up cycle support events or led rides, or learning to fix your bike and taking part in a number of led rides.

Foundation services:
<ul style="list-style-type: none">• Provide an accessible bike library fleet of 60 e-bikes, e-trikes and adapted bikes offering 1,000 free 4-week cycle hires.
<ul style="list-style-type: none">• Create a virtual active travel support hub promoting walks and ride routes with calendar of activities and events supported by app providing curated package of hyper-local walks, and annual local walk challenge in each target community.
<ul style="list-style-type: none">• Pilot a co-design approach to commissioning local active travel services, to include:
Level 1 Community family friendly provision for self-referral will:
<ul style="list-style-type: none">• Provide 288 community pop up active travel events providing one stop shop for cycle training, Dr Bike, route planning advice, led rides and walks at accessible community venues including parks, food banks, community centres, schools, job clubs.
<ul style="list-style-type: none">• Provide 20 all ability cycle taster days in supportive environment offering 720 activity places
<ul style="list-style-type: none">• Provide 40 led local led walks and 40 group community led bike rides offering 960 places.
<ul style="list-style-type: none">• 45 drop in maintenance days at community venues and community bike workshops.
<ul style="list-style-type: none">• Create network of 45 trained community Dr Bike volunteers and provide 60 Dr Bike pop ups servicing over 700 bikes.
<ul style="list-style-type: none">• Provide 18 tandem rides for people with visual impairment offering 108 ride places.

- Award 10 to 15 small-scale grants to community groups to create cycle friendly venues and provide equipment to support walking and cycling activities.

Level 2 Intensive personalised 1to1 and group support packages on referral will:

- Provide 3,200 walking or cycle travel plan sessions (via email, phone call, 1 to 1 appointments or group sessions) supported by 515 1 to 1 walk or cycle buddy sessions.
- Provide 120 1 to 1 buddy walk courses of 5 sessions per person supporting 120 people.
- Provide 24 group 10-week walking courses with 288 places.
- Provide 204 weekly group cycle training sessions with led rides offering 1,224 places supporting estimated 204 people (6 rides per person), which can be tailored to the health and cultural needs of specific communities and groups
- Provide 60 e-bike/adapted bike loans with a 6-week personalised exercise/ride package.
- Provide women-only community cycle support programme offering cycle training, led rides, cycle maintenance sessions, build a bike, including childcare, offering 444 activity places supporting around 300 women.
- Run 4 women's community ride leader training packages creating 80 female community ride leaders.
- Provide 24 Build-a-Bike 4-day courses offering 72 x Level 1 City & Guilds training places and bikes

Level 3 Nottingham University Hospitals Active Hospital Walking Clinics will

- Provide 20 walking clinics for adults with non-alcoholic fatty liver for women with gestational diabetes supporting 144 hepatology clinic out-patients and 96 ante-natal outpatients.

Level 4 Supporting an active travel culture amongst GPs and social prescribers will

- Create a network of active travel advocates across the Nottingham City social prescribing workforce.
- Offer 144 cycle training places with active travel information session and 24 led cycle rides for health and social care professionals (GPs, Link Workers, Health and Wellbeing Coaches, Community Connectors).
- Create information promoting the benefits of active travel for common health conditions for patients, GPs and social prescribers.

This page is intentionally left blank

Active Travel Social Prescribing - Equality Impact Assessment

Title of EIA: Active Travel Social Prescribing
Department: Development and Growth
Service Area: Transport Strategy

Name of Author: James Ashton
Director: Sajeeda Rose
Strategic Budget: No

Brief description of proposal / policy / service being assessed:

Nottingham City Council in partnership with the Nottingham City Place-based partnership (formerly the Clinical Commissioning Group) and Primary Care Networks (PCNs) in areas 1, 3 and 6 to deliver a programme of interventions aimed at improving the take up of active travel through social prescribing in places where there is investment in active travel infrastructure. Our programme aims to support people with different levels of need using a mix of targeted motivational support to signpost people into suitable existing walking and cycling services and more intensive individual support as part of a personalised care package.

Active travel is hugely beneficial to physical and mental wellbeing but barriers like personal health, income, knowledge and confidence mean this opportunity is not equally available to all our citizens, with women, BAME communities, disabled people and older people walking and cycling less. Proposed activities will include buddying schemes with personalised activity plans for walking and cycling, promoting local graded walks and rides (print and online) using safe routes, supporting local groups and volunteering for self-organised social led walks and rides focussed around network improvements; working with local providers to scale up proven pilot activities such as walking buddy schemes to reduce isolation; tandem cycle rides for people with visual impairment; cycle training for people with learning disabilities.

Ensuring easy affordable access to a wider range of bikes to suit all abilities (adapted bikes, trikes, tandems, ebikes) through an extended bike library with associated clothing and equipment will underpin our cycle interventions. The programme will be delivered in three areas of Nottingham, Bulwell/ Top Valley, Aspley/Bilborough and St Ann's/Sneinton. These locations have been selected on the basis of health need and to make the most of existing and proposed physical infrastructure for walking and cycling.

Information used to analyse the effects on equality:

Information used to analyse the effects of the Bid measures on the equality groups was derived from:

- Census data
- Unemployment data
- Mosaic data
- Joint Strategic Needs Assessment for Nottingham and Nottinghamshire
- Transport and travel surveys

Relevant Data and Research:

Car ownership in Nottingham is also significantly lower than the average in England, with the 2011 Census suggesting that only 43.7% of households in the city have access to a car, compared to 25.8% in England. Car ownership is also particularly low amongst pensioners living alone as well as lone parents. With car ownership or access to car low in the city, importance is placed upon buses to provide access to work and education, and to limit levels of social isolation

[Population - Nottingham Insight](#)

Gender - The population of Nottingham City is comprised of 51% females and 49% males. Lone parents are predominantly female, which affects socioeconomic status and access to opportunities. Car ownership amongst lone parents tends to be low. Whilst women are motivated to travel actively for physical and mental health reasons, worries about their personal safety, convenience (particularly when taking multi-stop trips) and appearance are all barriers to preventing them from cycling and walking.

<https://www.sustrans.org.uk/our-blog/research/all-themes/all/exploring-gender-and-active-travel>

Disability – In Nottingham City, 18.1% of people have long-term health problems that limit day-to-day activities. Data collected by Transport Statistics (2019) found that people with a disability make fewer trips by car. Simultaneously, disabled people are also less likely to be a car driver, placing further importance on accessible transport both in terms of walking and cycling but also public transport.

Other evidence which might be relevant – There is emerging evidence that suggests air pollution can be associated with poorer mental health conditions. This includes potential links between air pollution exposure and increased rates of both depression and anxiety disorders. [Air pollution, mental health, and implications for urban design - a review - Centre for Urban Design and Mental Health \(urbandesignmentalhealth.com\)](http://urbandesignmentalhealth.com)

	Could particularly benefit X	May adversely impact X	How different groups could be affected (Summary of impacts)	Details of actions to reduce negative or increase positive impact (or why action isn't possible)
People from different ethnic groups.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The measures will be aimed at citizens who would benefit from increased physical activity with particular focus on women in low income families, people being referred for social prescribing for mental health or social isolation reasons and 2 specific clinical cohorts in Nottingham University Hospitals Trust's Active Hospitals programme hepatology and ante- natal clinics (Adults with non-alcoholic fatty liver and women with gestational diabetes).</p> <p>For those accessing the programme there should be the following impacts:</p> <ul style="list-style-type: none"> • Positive economic impacts (and the associated social, health and well-being benefits) through improving access to work by active travel. • Positive health impacts through encouraging people to walk and cycle and through expanded travel horizons. • Increased confidence through exercise and social interaction. <p>The programme will people into a programme of available active transport</p>	<p>The majority of social prescribing referrals in the city are for mental health and wellbeing and/or social isolation. Our package will:</p> <ul style="list-style-type: none"> • Offer personalised provision and "What Matters to Me" will be at the heart of inclusive and supportive delivery with options for individual or group level support. This will cater for people who lack social confidence and need a more personalised one to one approach to motivate and build confidence through to people experiencing social isolation who might prefer the more social element of group activities. These activities will be delivered over period of 6- 12 weeks allowing time to build relationships with clients and for friendships to develop. • Support women by providing family friendly active travel package to support low income families and to provide women-only support which will include childcare. • Services will be delivered in the local areas in community settings and by working with established community
Men	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Women	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Trans	<input type="checkbox"/>	<input type="checkbox"/>		
Disabled people or carers.	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Pregnancy/ Maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
People of different faiths/ beliefs and those with none.	<input type="checkbox"/>	<input type="checkbox"/>		
Lesbian, gay or bisexual people.	<input type="checkbox"/>	<input type="checkbox"/>		
Older	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Younger	<input type="checkbox"/>	<input type="checkbox"/>		
Other (e.g. marriage/ civil partnership, looked after children, cohesion/ good relations, vulnerable children/ adults).	<input type="checkbox"/>	<input type="checkbox"/>		
<i>Please underline the group(s) /issue more adversely affected or which benefits.</i>				

			<p>services through signposting into community level provision or through 1to1 or more intensive personalised activity programmes.</p> <p>All activities seek to address barriers to participation for our target groups including access to bikes, suitable clothing and footwear for active travel, knowledge skills and confidence.</p> <p>These services will benefit citizens by:</p> <ul style="list-style-type: none"> • Helping those who are unemployed to broaden their travel horizons to access jobs and training through the jobseeker travel support service (e.g journey buddying, cycle training, cycle loan) • Providing bike maintenance skills/ training and free cycle loans and access to out door clothing which will help to reduce barriers to using bikes for transport. • Helping those in low income households with health needs to broaden their travel horizons with access to cycle training, cycle maintenance and buddying located to support cycling in communities with low levels of activity/ lower income areas. • Helping those in employment enhance their travel options including active forms of travel which could improve their health. • Providing 1to1 and Group Walking sessions with a journey buddy which will help to build confidence • Providing personalised travel plans and information about walking and cycling routes for citizens in their local area. • Providing 1to1 and group training to enable people to cycle and encourage healthy, active lifestyles. 	<p>groups to help people access support through familiar and trusted channels they already engage with.</p> <p>This delivery model will promote community cohesion by enabling targeted groups to access the services and travel confidently.</p> <p>Citizens with specific health needs such as those with a disability or limited mobility or with mental health needs will be referred by the Social Prescribing Link Workers or Health and Wellbeing Coaches to appropriate active travel service providers registered with the Greenspace social prescribing Trusted Providers Accreditation to ensure service providers can offer the right support to meet the specific needs of each client.</p> <p>Activities such as group walks and cycle training will be commissioned for particular groups of users as required in each PCN area (e.g. age related, people with disabilities, women, cultural communities, BAME groups). Examples of such projects within the programme include led tandem rides for people with visual impairment; a programme of women only bike mechanics training including childcare to enable participation; all ability cycle training taster sessions delivered in a supportive environment.</p> <p>The e-bike library will offer free loans from a pool of specialist and adapted e-bikes, e-trikes, e-tandems and - companion bikes to make cycling accessible to all abilities and for people with specific health or mobility needs.</p> <p>A co-design approach will ensure that our programme will make active travel possible for those who would most benefit from being more active, being more connected to people and opportunities, better mental health and wellbeing. This process will be</p>
--	--	--	---	--

			supported by the CCG's patient co-design network, My Life Choices to bring lived experience to input to service specifications and commissioning of active travel services in the programme.
--	--	--	--

Outcome(s) of equality impact assessment:

- No major change needed •Adjust the policy/proposal •Adverse impact but continue
- Stop and remove the policy/proposal

Arrangements for future monitoring of equality impact of this proposal / policy / service:

Review assessment following feedback from Equality and Diversity Team

Approved by (manager signature):

Chris Carter
Chris.Carter@nottinghamcity.gov.uk

Date sent to equality team for publishing:

First Draft sent

Send document or link to:
equalityanddiversityteam@nottinghamcity.gov.uk

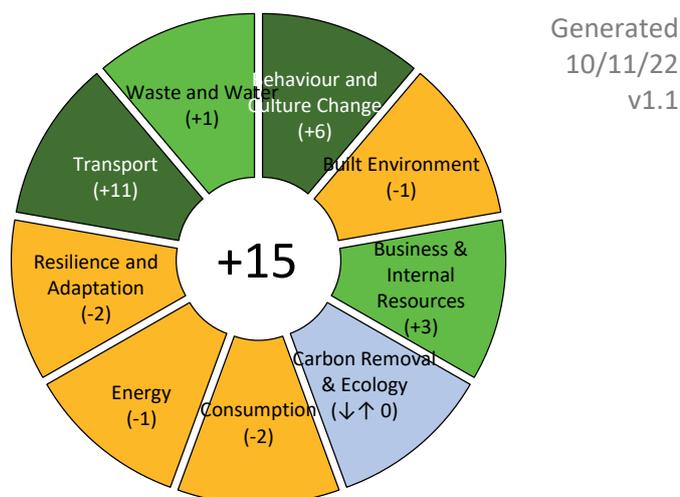
Appendix G

Carbon Impact Assessment for Active Travel Social Prescribing Programme - summary

What are the biggest costs and benefits of this activity in terms of the climate?

The Carbon Impact Assessment dashboard shows that the biggest benefits of this programme are for supporting uptake of low carbon travel options through walking and cycling with a score of +11 for transport theme. This programme scores positively for these reasons:

- The primary purpose of this funding programme is to support behaviour change to more walking and cycling for local journeys and to enable walking and cycling to other social prescribing activities supported by journey planning advice and journey buddying to promote sustainable travel options. Therefore no adverse high carbon transport impacts are anticipated, e.g. generating significant additional journeys by car.
- Activities will be commissioned where possible from local service providers based in the Nottingham area and will be delivered at a hyper-local level within the target communities so reducing the distance to travel. If travel is required for clients to take part in an activity in another part of the city, the choice of delivery locations will take into account accessibility by public transport giving people the choice of a low carbon travel option.
- Many local walking and cycling service providers already use cargo bikes to transport equipment for events and activities. The carbon neutral credentials of suppliers will be considered as part of the procurement process, and any service providers commissioned to run activities that do not have access to a cargo bike or electric van will be encouraged to apply as a local business to benefit from the council's Electric Van Experience and ecargo bike hire offers.



Nottingham is aiming to become the first carbon neutral city in the country by 2028 (5 years and 1 months away).

The programme also scores well (+6) for behaviour change for these reasons:

- Using a co-design approach to ensure services delivered will meet the needs of and address barriers to walking and cycling for people in the target areas
- This is a national pilot which will add to knowledge and good practice about achieving active travel behaviour change and the learning will be transferable to wider travel behaviour change initiatives. We will be one of 11 national pilot areas so influencing national transport policy to support active travel.
- This programme is building on and developing our partnership working with Nottingham Place-based Partnership, Nottingham GP Alliance, Nottingham University Hospitals Trust, Nottingham CVS, local sustainable transport service providers, Active Nottinghamshire and the Together We Move Collective.
- The programme include measures to embed an active travel culture with the social prescribing workforce which will support progress towards a carbon neutral city.

The programme has a small negative score for resilience and adaptation (-2) because walking and cycling activity is very sensitive to wet weather and to extreme heat events, and in particular undertaking physical activity and being outside in extreme heat would be particularly harmful for those with underlying health conditions whom this programme is aiming to reach. However there are mitigation measures which can put in place to reduce these impacts including: providing services at suitable indoor venues, rescheduling events and activities if local or national extreme weather or public health alerts are issued, including advice in training packages for safe cycling in wet weather and use of sunscreen and hydration for outdoor exercise such as walking and cycling, partnership schemes with Rohan and others to support affordable access to outdoor clothing and footwear to enable walking and cycling in wet weather.

Other negative impacts are associated with the whole life costs for manufacture and delivery of additional bike stock and the associated modular office/workshop unit and storage containers for the bike library fleet at Harvey Hadden. However these are small-scale and localised and outweighed by the long-term positive benefits of enabling cycling for people who previously have not engaged in this activity. In terms of mitigation the environmental credentials of the suppliers and the product specifications will be considered at the procurement stage. Note 20 of the 60 bikes are proposed to be refurbished bikes converted to e-bikes which provides costs savings and recycles unwanted bikes so reducing waste and use of resources. The details of the modular office unit are to be confirmed but it is expected that this will piggyback onto existing systems and services at Harvey Hadden.

This assessment shows the benefits outweigh the dis-benefits and the programme scores a very positive +15 for its overall carbon impact.

Are there measures already included in your plan to minimise the costs and maximise benefits with respect to climate change?

- Yes the procurement strategy for this programme is to set up frameworks for provision of walking and cycling services to utilise a pool of local small-scale providers across the city which will help to reduce the travel associated with service delivery and many of these local organisations are already exemplars for sustainable business travel and early adopters of measures such as e-cargo bikes. Establishing service frameworks will enable us to contract local providers more easily who are not on existing transport services frameworks.
- Mitigation measures to adapt the programme delivery in response to wet weather and extreme heat episodes are set out above.

What are the constraints which stop you doing more?

- The funding package is limited to delivery in six wards of the city selected at the Feasibility Study stage for their health need and proximity to planned capital investment in walking and cycling infrastructure. More funding would be needed to extend this work programme to the whole city and for activity beyond March 2025. However the good practice and learning from this programme will inform development of other active travel behaviour change packages as additional DfT funding comes on stream.

What method(s) if any are available to monitor our climate performance on this activity?

- There will be a rigorous monitoring and evaluation of travel behaviour change of participants supported by the programme and it would be possible to infer the carbon savings from transport for the reported activity to give a measure of the carbon impact, However this is not a primary requirement of DfT's monitoring framework for this funding programme so would have to be done as a secondary activity to support carbon reporting which may require additional funding and resource.

Subject:	EE Monitor Service Contract Extension		
Corporate Director(s)/ Director(s):	Frank Jordan, Corporate Director of Communities, Environment and Residents Wayne Bexton, Director of Environment and Sustainability		
Portfolio Holder(s):	Councillor Sally Longford, Portfolio Holder for Energy Environment and Waste Services Councillor David Mellen, Leader of the Council		
Report author and contact details:	David Nicoll, CRES Customer Service & Transformation Manager David.nicoll@nottinghamcity.gov.uk 07548 159143		
Other Colleagues who have provided input:	Anthony Heath – Senior Solicitor Alison Bennett – Senior Commercial Business Partner Michael Hainge - Director of Commercial and Procurement		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input checked="" type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Total value of the decision: Exempt – Please see appendix 2			
Wards affected: All Wards	Date of consultation with Portfolio Holder(s):		
Relevant Council Plan Key Outcome:			
Clean and Connected Communities			<input type="checkbox"/>
Keeping Nottingham Working			<input checked="" 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"/>
Summary of issues (including benefits to citizens/service users):			
<p>Nottingham City Council has a long-standing relationship with the London Borough of Waltham Forest Council as the preferred Heat Metering & Billing provider. Nottingham City Council entered into a contract to deliver these services on 15th August 2016 and has maintained a healthy contractual relationship with London Borough of Waltham Forest since this date.</p> <p>Nottingham City Council have supplied and fitted 846 EE Monitors to London Borough of Waltham Forest properties since the beginning of the contract in 2016. Nottingham City Council also provide the annual billing service for the 846 properties on behalf of London Borough of Waltham Forest. London Borough of Waltham Forest now wish to enter in to a new 10-year contract with Nottingham City Council for us to be the preferred Heat Metering & Billing provider to a further 1,600 properties over the next 10 years. The revenue from the current contract is built into the Council's MTFP.</p>			

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

Appendix 2 to this report is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. It is not in the public interest to disclose the information because it may offer a competitive advantage to other companies tendering for future contracts that the Council may also enter a competitive tender process for.

Recommendation(s):

1. Executive Board are recommended 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.

1 Background

- 1.1 Nottingham City Council Carbon Reduction, Energy & Sustainability, have a long-standing relationship with London Borough of Waltham Forest Council, currently delivering metering and billing services to 846 of their residents on behalf of the Borough. The first contract agreement for the sale of EE Monitors and the ongoing metering and billing service commenced on 15th of August 2016. Nottingham City Council has continued in a contractual agreement for this service since this date, with the most recent contract extension being approved internally up to November 30th 2022. London Borough of Waltham Forest Council have now advised they wish to enter into a new contract with NCC and increase the amount of properties that NCC deliver the Heat Metering & Billing service for. Across the next 10 years, a further 1,600 properties will be added to the portfolio taking the overall portfolio to 2,446 properties. The contract will establish NCC as the preferred supplier of heat metering prepayment units, namely the EE Monitor.
- 1.2 NCC will also deliver the annual billing service to the residents for all the 2,446 properties. The sale of EE Monitors and ongoing billing service brings revenue to NCC that is included in the council's budget. The recent Commissioning and Procurement Executive Committee decision to approve NCC to secure a 10-year contract for the manufacturer and supply of the EE Monitor offers the assurances that we will have a continuous supply of EE Monitors for the life of the proposed contract extension and expansion.
- 1.3 There is a clear opportunity for NCC to help other authorities tackle climate change through our metering and billing service. As we get closer to the 2025 building regulation changes, gas installations are shrinking. Developers are now opting for Combined Heat and Power installations. This is also becoming the preferred option for local authorities and housing associations. We are recognised as experts in the field of metering and billing and are often called upon by other local authorities for advice and guidance. This then leads to us being asked to tender for the metering and billing works.

2 Reasons for recommendations

2.1 NCC have a long-standing relationship with London Borough of Waltham Forest Council and requested a 10-year contract for NCC to be the preferred supplier of heat metering & billing solutions for the properties they own that are supplied through their heat network. We wish to continue this relationship as the delivery partner for heat metering and billing services.

2.2 NCC 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 NCC income from the loss of annual billing income provided by the arrangement in place. All clients currently in contract with NCC 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. NCC are the preferred metering and billing provider for London Borough of Waltham Forest Council. It is recommended that approval to enter into this contract is delegated to the Director of Environment and Sustainability in consultation with the Director for Legal and Governance

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

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

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

4 **Consideration of Risk**

4.1 The risks are as follows:

Risk	Impact	Mitigation
Costs for parts and components for EE Monitors may increase due nature of current economy	Increased cost to NCC to purchase EEM's	Contingency has been included in the costings. RPI is also included to account for year on year increases.
EE Monitor complete system failure	Customers are unhappy with the service received from Nottingham City Council. System downtime could lead to loss of heat and hot water.	NCC employ a software developer, EE Monitor technician and will have the EE Monitor manufacturer on hand to bring systems back online as a matter of urgency. All EE Monitors have an

		override function, this can be initiated by the customer or NCC staff to ensure a continuous supply of heat and hot water.
Failing to provide tenants with bills and/or statements – Breach of regulations could lead to fines.	Breaching Heat Network Metering & Billing Regulations 2014 (Amended 2020)	All bills will be managed through online account management utilising automated processes.

5 **FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)**

5.1 The financial information in support of the recommendations is commercially confidential and therefore included in an exempt appendix to this report.- Appendix 2

6 **Other colleague comments -**

- Legal –

This report seeks authority for the Council to enter into a 10 year contract, using the Procure Public Framework, with the London Borough of Waltham Forest to supply Heat Metering & Billing for approx. 2,500 properties.

In entering into this contract, the Council are making use of the Local Authorities (Goods and Services) Act 1970 which allows local authorities to enter into contracts with other local authorities including for the purpose of providing technical services.

This report does not create any significant legal issues. The contractual arrangements are already in place through the already agreed Terms and Conditions that the Procure Public Framework uses; the Council must comply with the requirements as set out in those Terms and Conditions and monitor both its performance and the contract generally throughout the duration of the contract.

Whilst this is a situation where the Council is providing services rather than securing them, it is still recommended that the Council comply with the principles as set out in the Council Constitution where relevant.

Anthony Heath, Senior Solicitor, Contracts and Commercial, 28th November 2022.

- Finance – Alison Bennett 25/10/22

The supply of EE monitors and provision of the Heat Metering & Billing Service for the additional 1,600 properties over the 10 year period of the proposed contract will generate income for NCC. The revenue generated exceeds the costs associated with the installation of the new EE monitors and provision of the service. The revenue and associated expenditure will be included in the MTFP and reviewed on a monthly basis as part of the budget monitoring process.

Whilst there are risks that the costs incurred by NCC in undertaking delivery of the contract may increase, this is mitigated by the inclusion of inflationary assumptions in the costs detailed in Exempt Appendix 2 and a contingency to take account of unforeseen costs. Similar inflationary assumptions are included in the estimated income generated from the contract, which should ensure that net revenue assumed in Appendix 2 is delivered. Any shortfall to revised MTFP targets will need to be mitigated by the service area within current resources. Any risk of bad debts relating to service charges will need managing through the current debt management programme.

- Commercial, Procurement & Contract Management - Michael Hainge

The assumptions made in the model, the supply chain, costs risks and the flexibility of the proposed arrangement with LBWF are credible and reasonable.

As a commercial venture, the evaluation criteria in the Commercial Strategy must be applied:

Impacts and risk evaluation for:	Critical	Signific	Important	Not signific	Marginal
How important is this commercial venture the Council to achieve its strategic objectives?				x	
What financial impacts does this venture bring the City Council?				x	
What environmental impacts does this venture bring the City?				x	
What social impacts does this venture ha on the City?				x	
To what extent does this venture impact the local economy?					x
To how much risk does this venture expo the City Council?			x		

The reason the risk is rated as Important is due to the reputational position following RHE, and the scope for any failures in this venture to be amplified in that context.

It therefore follows that, in line with the Commercial Strategy, that this activity will be reviewed annually or when any significant change occurs, but that the full requirements of the Commercial Strategy will not be required.

Has the equality impact been assessed?

- (a) not needed (report does not contain proposals for new or changing policies, services or functions, financial decisions or decisions about implementation of policies development outside the Council) X

8 Other relevant comments

8.1 Not Applicable

9 Crime and Disorder Implications (If Applicable)

9.1 Not Applicable

10 Social value considerations (If Applicable)

10.1 Securing this contract will ensure we can maintain our goal of local jobs for local people, as we seek to grow our heat network offering and secure new work streams. It will also continue to support NCC's MTFP projection, supporting front line services for the City.

11 Regard to the NHS Constitution (If Applicable)

11.1 Not Applicable

12 Data Protection Impact Assessment (DPIA)

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

No

Yes

Attached as Appendix 1, and due regard will be given to any implications identified in it.

13 Carbon Impact Assessment (CIA)

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

No

A Carbon Impact Assessment will be completed on the approved commissioning model, and due regard will be given to any implications identified within it.

Yes

Attached as Appendix x, and due regard will be given to any implications identified in it.

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

14.1 None

15 Published documents referred to in this report

15.1 None

This page is intentionally left blank

DATA PROTECTION IMPACT ASSESSMENT - Nottingham City Council Environment and Sustainability Division V1.0

Reference number: (10. CRES) - DPIA-NCC-343 – EE Monitor Service Contract Extension

AUTHOR: ALEX RAYNER
Email: alex.rayner@nottinghamcity.gov.uk

DATA PROTECTION IMPACT ASSESSMENT

When to complete this template:

Start to fill out the template at the beginning of any major project involving the use of personal data, or, where you are making a significant change to an existing process that affects personal data. Please ensure you update your project plan with the outcomes of the DPIA.

Table of Contents

- 1. Document Control 4
 - 1. Control details 4
 - 2. Document Amendment Record 4
 - 3. Contributors/Reviewers 4
 - 4. Glossary of Terms 4
- 2. Screening Questions 5
- 3. Project - impact on individual's privacy 7
- 4. Legal Framework and Governance – Compliance 12
- 5. Personal Data Processing Compliance 14
- 6. Sign off and record outcomes 24

Page 221

1. Document Control

1. Control Details

Author of DPIA:	Alex Rayner
Owner of project:	David Nicoll
Contact details of Author:	Alex.rayner@nottinghamcity.gov.uk

2. Document Amendment Record

Issue	Amendment Detail	Author	Date	Approved
V1.0	Initial draft of DPIA	Alex Rayner	24/11/2022	

3. Contributors/Reviewers

Name	Position	Date
Alex Rayner	Compliance Officer	
David Nicoll	Customer Service & Transformation Manager	

4. Glossary of Terms

Term	Description
<i>Please insert any abbreviations you wish to use:</i>	
NCC EE	Nottingham City Council Enviroenergy
CRM	Customer Relationship Management System
DOMMS	EE's CRM
EE Monitor	Heat meter created and sold by NCC Enviroenergy

Author: alex rayner
Email: jeremy.lyncook@nottinghamcity.gov.uk

2. Screening Questions

1. Does the project involve personal data? Yes/No	If 'Yes', answer the questions below. If 'No', you do not need to complete a DPIA but make sure you record the decision in the project documentation.
2. Does the processing involve any of the following data: medical data, ethnicity, criminal data, biometric data, genetic data and any other special/ sensitive data?	Yes/No
2. Does the processing involve any systematic or extensive profiling?	Yes/No
3. Does the project involve processing children's data or other vulnerable citizen's data?	Yes/No
4. Does the processing involve decisions about an individual's access to a product, service, opportunity or benefit that is based on any evaluation, scoring, or automated decision-making process?	Yes/No
5. Does the processing involve the use of innovative or new technology or the novel application of existing technologies?	Yes/No
6. Does this project involve processing personal data that could result in a risk of physical harm in the event of a security breach?	Yes/No
7. Does the processing combine, compare or match data from multiple sources?	Yes/No
8. Does the project involve processing personal data without providing a privacy notice?	Yes/No
9. Does this project process data in a way that tracks on line or off line location or behaviour?	Yes/No
10. Will the project involve using data in a way it has not been used before?	Yes/No
11. Does the project involve processing personal data on a larger scale?	Yes/No
12. Will the project involve processing data that might prevent the Data Subject from exercising a right or using a service or entering into a contract?	Yes/No
If you answered 'Yes' to any <u>two</u> of the questions above, proceed to Question 3 below. If not seek advice from the DPO as you may not need to carry out a DPIA.	

Project Title: EE Monitor Service Contract Extension

Team: Customer Services Team

Directorate: Environment and Sustainability Division

DPIA Reference number: *(This will be allocated by the Information Compliance Team or the DPO and must be quoted in all correspondence)*

Has Consultation been carried out? (If not why not?) Describe when and how you will seek individual's views- or justify why it is not appropriate to do so. Who else do you need to involve within your organisation? Do you need to ask your processors to assist? Do you plan to consult information security experts, or any other experts?

1. DDM attached?	Yes/No
2. Written evidence of consultation carried out attached?	Yes/No
3. Project specification/ summary attached?	Yes/No
4. Any existing or previous contract / SLA / processing agreement attached?	Yes/No
5. Any relevant tendering documents attached?	Yes/No
6. Any other relevant documentation attached?	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  DPA sycous.docx.pdf </div> <div style="text-align: center;">  DPIA 343 -Sycous (002) - v 0.2.docx </div> <div style="text-align: center;">  Vulnerable Customer Checks DPIA Oct 2021 </div> </div> <p>Yes/No</p>

3. Project - impact on individual's privacy

Issue	Questions	Examples	Yes/No	Initial comments on issue & privacy impacts
Purpose and means				Profiling, data analytics, Marketing. Note: The GDPR requires a DPIA to be carried out where there is systematic and extensive evaluation of personal aspects relating to individuals based on automated processing, including profiling, and on which decisions about individuals are based.
	Please give a summary of what your project is about (<i>you can also attach or embed documents for example a project proposal</i>).			Nottingham City Council has a long-standing relationship with the London Borough of Waltham Forest Council as the preferred Heat Metering & Billing provider. Nottingham City Council entered into a contract to deliver these services on 15 th August 2016 and has maintained a healthy contractual relationship with London Borough of Waltham Forest since this date. Nottingham City Council have supplied and fitted 846 EE Monitors to London Borough of Waltham Forest properties since the beginning of the contract in 2016. Nottingham City Council also provide the annual billing service for the 846 properties on behalf of London Borough of Waltham Forest
	<p>Aims of project</p> <p>Explain broadly what the project aims to achieve and what types of processing it involves.</p>			. London Borough of Waltham Forest now wish to enter in to a new 10-year contract with Nottingham City Council for us to be the preferred Heat Metering & Billing provider to a further 1,600 properties over the next 10 years. The revenue from the current contract is built into the Council's MTFP.
	<p>Describe the nature of the processing</p> <p>How will you collect store and delete data? Will you be sharing with anyone? You might find it useful to refer to a flow diagram or another way of describing data flows. What types of processing identified as likely high risk are involved? Who will have access to the project personal data, how is access controlled and monitored</p>			<p>We will store data in the Mabdeck Database system. The Mabdeck system is ran by Sycous. This has a separate DPIA and DPA as attached in this document</p> <p>This would represent additional data being added to this database rather than using a new system.</p> <p>There is no additional risks associated with signing up to this project as data from this project already stored in Mabdeck, there will just be more data stored</p>

	and reliability of staff assessed? Will data be separated from other data with in the system?		Access to Mabdeck is controlled by certain log in accounts. All notes on Mabdeck and the creation of reports note who created the note/report with the time/date created. This has so far not caused any issues so far.
	Privacy Implications Can you think of any privacy implications in relation to this project? How will you ensure that use of personal data in the project is limited to these (or “compatible”) purposes?		All data held by us on behalf of National Clients is not shared elsewhere (except as this has already determined) and is not used for any reasons except the billing and invoicing of accounts.
	New Purpose Does your project involve a new purpose for which personal data are used?		No
	Consultation Consider how to consult with relevant stakeholders: Describe when and how you will seek individuals views- or justify why it’s not appropriate to do so. Who else do you need to involve in NCC? Do you plan to consult Information security experts, or any other experts?		Decision to use NCC EE as a billing provider is up to the client. They take on the end responsibility for their data- we ensure that their data is not shared or misused for the wrong reasons. We do not use client data for any reason except for billing and invoicing reasons as contracted.
Individuals (data subjects)	Will the project:	Expanding customer base; Technology which must be used by individuals; Hidden or complex uses of data; Children’s data	
	Affect an increased number, or a new group, or demographic of individuals (to existing activities)?		Numbers involved increase with new project but no new group, demographic or otherwise.

	Involve a change to the way in which individuals may be contacted, or are given access to services or data? Are there any areas of public concern that you should factor in?			As we are a different billing contractor to what individuals may be on at the moment their invoices and communication may look different (we are not changing how our invoices look as part of this project). The client rather than us would be responsible for obtaining their customers views if they feel this is necessary. In most regards the service we provide is likely to be better than their current provider.
	Affect particularly vulnerable individuals, including children?			There may be some vulnerable customers living in the areas we pick up. Minimal vulnerable customer data may be collected, and only to allow a fair service provision for these customers.
	Give rise to a risk that individuals may not know or understand how their data are being used?			No
Parties	Does the project involve:	Outsources service providers; Business partners; Joint ventures		
	The disclosure of personal data to new parties?			No- same parties involved, just more data
	The involvement of sharing of personal data between multiple parties?			No
Data categories	Does the project involve:	Special personal data; Biometrics or genetic data; Criminal offences; Financial data; Health or social data; Data analytics: Note: the GDPR requires a DPIA to be carried out where there is processing on a large scale of special categories of data or of data relating to criminal convictions and offences		
	The collection, creation or use of new types of data?			No
	Use of any special or privacy-intrusive data involved? • Political opinions			No- at most may contain medical data to identify vulnerability data but this is at a minimum (see vulnerable customers DPIA as attached)

	<ul style="list-style-type: none"> • Religious beliefs or philosophical beliefs • Trade union membership • Genetic data • Biometric data • Sexual life • Prosecutions • Medical data • Criminal data <p>(Criminal data processing, i.e. criminal convictions, etc. also has special safeguards under Article 10)</p>			
	<p>New identifiers, or consolidation or matching of data from multiple sources?</p> <p>(For example a unique reference number allocated by a new management system)</p>			No
Technology	New solutions:	Locator or surveillance technologies; Facial recognition; Note: the GDPR requires a DPIA to be carried out in particular where new technologies are involved (and if a high risk is likely)		
	Does the project involve new technology that may be privacy-intrusive?			No- existing type of EE Monitors will be used. EE Monitors were designed and developed by NCC EE. The therefore own the data that is recorded by these devices and all data that is stored in the EE Monitor Software as part of the account administration.

Data quality, scale and storage	Data:	New data		
	Does the project involve changes to data quality, format, security or retention? What are the benefits of the processing? i.e. will the new system have automatic retention features? Will the system keep the information in a safer format etc.?			No- for features of Mabdeck, see Mabdeck DPIA
	Does the project involve processing data on an unusually large scale?			Is on a large scale- not necessarily on an unusually large scale.
Monitoring, personal intrusion	Monitoring:	Surveillance; GPS tracking; Bodily testing; Searching; Note: the GDPR requires a DPIA to be carried out where the project involves systematic monitoring of a publicly accessible area on a large scale		
	Does the project involve monitoring or tracking of individuals or activities in which individuals are involved?			No
	Does the project involve any intrusion of the person?			No
Data transfers	Transfers	Transfers outside the EEA		
	Does the project involve the transfer of data to or activities within a country that has inadequate or significantly different data protection and privacy laws?			(Is any information held on the cloud? If so check where it is held) See Mabdeck DPIA for details on this as that is where information will be held.

4. Legal Framework and Governance – Compliance

Ref.	Question	Response	Further action required (and ref. to risk register as appropriate)
1. Applicable laws and regulation			
1.1	Which data protection laws, or laws which impact data protection and privacy, will be applicable to the project?	<ul style="list-style-type: none"> • UK General Data Protection Regulation • Data Protection Act 2018 • Human Rights Act 1998 	
1.2	Are there any sector-specific or other regulatory requirements or codes of practice, which should be followed?	<ul style="list-style-type: none"> • Local Government 1972, s111(1) Localism Act 2011, s.1	
2. Organisation's policies			
2.1	Is the project in compliance with the organisation's information management policies and procedures (including data protection, information security, electronic communications)?	Yes.	

Page 230

2.2	Which policy requirements will need to be followed throughout design and implementation of the project?	Data Protection Policy Information Security Policy Records Management Policy	
2.3	Are any changes/updates required to the organisation`s policies and procedures to take into account the project? Note: new requirements for “Accountability” under the GDPR, including record-keeping, DPOs and policies	No	
3. Training and roles			
3.1	Will any additional training be needed for staff in relation to privacy and data protection matters arising from the project?	No	

5. Personal Data Processing Compliance

Ref.	Question	Response	Further action required (and ref. to risk register as appropriate)
1. Personal Data Processing			
1.1	Which aspects of the project will involve the processing of personal data relating to living individuals?	<p>All data regarding customer contact details, including:</p> <ul style="list-style-type: none"> • Customer names • Phone number • Property Billing to • Contact address (if different from above) • Email address • Indication if vulnerable customer (tick box only) • Customer reference number, Account balance details 	
1.2	Who is/are the data controller(s) in relation to such processing activities?	London Borough of Waltham Forest	
1.3	Who is/are the data processor in relations to such processing activities?	Nottingham City Council	
2. Fair and Lawful processing - GDPR Articles 5(1)(a), 6, 9, 12, 13			
2.1	<p>Which fair processing conditions are you relying on?</p> <p>GDPR: Article 6(1) (legal basis for processing) and, for sensitive personal data, Article 9(2).</p>	<p>6(1). Choose at least one of the following for personal data, usually (e) (Cross out the rest)</p> <ul style="list-style-type: none"> a) Consent b) Performance of contract c) Legal obligation d) Vital interests e) Public interest / exercise of Authority <p>9(2) Choose at least 1 for special data- usually g (cross the rest out)</p>	<p>Nottingham City Council will rely on Articles 6(1) (e) and 9(2) (g) as the legal bases for carrying out work regarding the use of Mabdeck or a new CRM. Use of sensitive data is very brief and only holds information whether a customer is vulnerable or not to aid service- no further details are held by Sycous. Further details of this is covered on the Vulnerable customer checks DPIA.</p>

		<p> a) Explicit consent b) Employment / social security / social protection obligations c) Vital interests d) Non-profit bodies e) Processing made public by data subject f) Legal claims g) Substantial public interest h) Health, social care, medicine i) Public interest for public health j) Archiving, statistics, historical research </p> <p>For any criminal Data Comply with Article 10 if it meets a condition in Part 1, 2 or 3 of Schedule 1.</p> <ul style="list-style-type: none"> • Employment, social security and social protection • Health and social care purposes • Public health • Research <p>Substantial public interest:</p> <ul style="list-style-type: none"> • Statutory and government purposes • Equality of opportunity and treatment • Racial and ethnic diversity at senior levels of organisations • Preventing or detecting Unlawful Acts • Protecting the public against dishonesty etc • Regulatory requirements relating to unlawful acts and dishonesty etc • Journalism etc in connection with unlawful acts and dishonesty etc • Preventing fraud • Suspicion of terrorist financing or money laundering 	<p>For National clients Nottingham City Council will rely on 6(1)(b) performance of contract to undertake the contracts we have with the national clients. For any changes of tenancy or new information gathered, this is directly shared by the tenant themselves, so could also use 6(1)(e) as the lawful basis.</p>
--	--	--	---

Page 234		<ul style="list-style-type: none"> ● Counselling ● Safeguarding of children and of individuals at risk ● Safeguarding of economic well-being of certain individuals ● Insurance ● Occupational pensions ● Political parties processing ● Disclosure to elected representatives ● Informing elected representatives about prisoners <p>Additional Conditions</p> <ul style="list-style-type: none"> ● Consent ● Vital interests ● Personal data in the public domain ● Legal claims ● Judicial Acts 	
<p>Note: different conditions may be relied upon for different elements of the project and different processing activities. Also, the scope of special category data is wider under the GDPR, and in particular includes genetics & biometric data, and sexual orientation.</p>			
2.2	How will any consents be evidenced and how will requests to withdraw consent be managed?	All change of tenancy information emails are kept in secure email folder separated for each scheme. These are directly from the tenants themselves, the providing of their data is the consent as told how their data will be used only for billing purposes.	
<p>Note: new requirements for obtaining and managing consents within the GDPR.</p>			
2.3	Is the data processing under the project covered by fair processing information already provided to individuals or is a new communication needed (see also data subject rights below)?	Yes. See link for existing Privacy Notice for NCC EE. Privacy Notice	

Note: more extensive information required under the GDPR than under current law, and new requirements on how such information is provided. Also a general principle of “*transparency*”. It is important to assess necessity and Proportionality

2.4	If data is collected from a third party, are any data protection arrangements made with such third party?	DPA with Waltham Forest attached	
2.5	Is there a risk of anyone being misled or deceived?	No	
2.6	Is the processing “fair” and proportionate to the need’s and aims of the projects?	Yes	
2.7	Are these purposes clear in privacy notices to individuals? (see above)	Yes	

3. Adequate, relevant and not excessive, data minimisation - GDPR Article 5(1)(c)

Page 235 3.1	Is each category relevant and necessary for the project? Is there any data you could not use and still achieve the same goals?	Yes.	
-----------------	--	------	--

Note: GDPR requires data to be “limited to what is necessary” for the purposes (as well as adequate and relevant).

3.2	Is/can data be anonymised (or pseudonymised) for the project?	No	
-----	---	----	--

4. Accurate and up to date - GDPR Article 5(1)(d)

4.1	What steps will be taken to ensure accurate data is recorded and used?	Relying on accuracy of data provided by the client. EE Monitor data has been found to be accurate and reliant	
-----	--	---	--

For example: checks when receiving/sending information from/to third parties, or transcribing information from oral conversations or handwritten documents, any automatic checks on information not meeting certain criteria.

4.2	Will regular checks be made to ensure project data is up to date?	Regular meter readings taken and updated in EE Manager. All invoices will have a tenant name on them. It is the responsibility of the client and the tenant to notify us of any tenancy changes or change of information for a property	
-----	---	---	--

5. Data retention - GDPR Article 5(1)(e)			
5.1	How long will personal data included within the project be retained?	Financial data must be held for 7 years after it is no longer in use (following tenant moving out of property and balance cleared). Customer held for the 7 years then automatically removed by the system.	
5.2	How will redundant data be identified and deleted in practice? Consider paper records, electronic records, equipment?	Redundant data once tenant has been moved out of a property after 7 years will be automatically removed.	
5.3	Can redundant data be easily separated from data which still need to be retained?	Customers can raise information access request and the information is able to be pulled off and shared with the customer as requested quite easily. Data sets can be easily separated from data that needs to be retained	
6. Data subject rights - GDPR Articles 12 to 22			
6.1	Who are the relevant data subjects?	Waltham Forest customers whose personal data is held for these networks	
6.2	Will data within the project be within the scope of the organisation`s subject access request procedure?	Yes	
6.3	Are there any limitations on access by data subjects?	No	
6.4	Is any data processing under the project likely to cause damage or distress to data subjects? How are notifications from individuals in relation to damage and distress managed?	No	
6.5	Does the project involve any direct marketing to individuals? How are requests from data subjects not to receive direct marketing managed?	No	

6.6	Does the project involve any automated decision making? How are notifications from data subjects in relation to such decisions managed?	No	
6.7	How will other rights of data subjects be addressed? How will security breaches be managed?	These rights will be processed by the Information Compliance Team at Nottingham City Council. All breached will be dealt with by the Information Compliance team and the Data Protection Officer.	

7. Data Security - GDPR Articles 5(1)(f), 32

For example:

- **Technology:** encryption, anti-virus, network controls, backups, DR, intrusion detection;
- **Physical:** building security, clear desks, lock-leads, locked cabinets, confidential waste;
- **Organisational:** protocols on use of technology, asset registers, training for staff, pseudonymisation, regular testing of security measures.

Page 20/27

Describe the source of risk and nature of potential impact on the individuals. Include associated compliance and corporate risks as necessary -What security measures and controls will be incorporated into or applied to the project to protect personal data? Consider those that apply throughout the organisation and those which will be specific to the project. N.B Measures that are appropriate to the nature of the data and the harm which may result from a security breach	Likelihood of harm Remote, Possible or Probable	Severity of harm Minimal, Significant or Severe	Overall Risk Low, Medium or High
<ul style="list-style-type: none"> • EE Manager or Mabdeck system crashing/ failing/ unstable leading to lost information or being unable to bill customer 	Remote	Significant	Low
<ul style="list-style-type: none"> • Data is accessed by employees/ external companies either when any data is transferred between Waltham Forest and NCC Enviroenergy or from unauthorised access to data 	possible	Significant	Medium
<ul style="list-style-type: none"> • 			

•			
•			
•			
•			
•			
•			
•			
•			

Identify measures to Reduce Risk- Identify additional measures you could take to reduce or eliminate risks identified as medium or high risk that you have identified

Risk Page 238	Options to reduce or eliminate risk	Effect on risk Eliminated/ Reduced or Accepted	Residual risk Low/Medium/High	Measures approved Yes/No
EE Manager or Mabdeck system crashing/ failing/ unstable leading to lost information or being unable to bill customer	EE Manager self owned and NCC employ a software developer, EE Monitor technician and will have the EE Monitor manufacturer on hand to bring systems back online as a matter of urgency. All EE Monitors have an override function, this can be initiated by the customer or NCC staff to ensure a continuous	Reduced	Low	Yes

	<p>supply of heat and hot water.</p> <p>Mabdeck are owned by Sycous who are well known data company. They have back-ups in place in case there are system issues. We are also protected against issues such as this through insurance and guarantees.</p>			
<p>Data is accessed by employees/ external companies either when any data is transferred between Waltham Forest and NCC Enviroenergy or from unauthorised access to data</p>	<p>Access is restricted by specific log in both NCC EE side and Mabdeck side with audits of who has access to the information.</p> <p>Any personal data transfer must be encrypted and securely sent. Any data sent to the customer containing personal data should be encrypted and securely sent.</p>	<p>Reduced</p>	<p>Low</p>	<p>Yes</p>

8. Data processors - GDPR Article 28 & direct obligations in other articles			
8.1	Are any data processors involved in the project?	Yes- NCC EE are the data processors for the project – who in turn have Mabdeck as their data processor for the Mabdeck programme	
8.2	What security guarantees do you have?	As above and in the Mabdeck DPIA	
For example: specific security standards or measures, reputation and reviews			
8.3	Please attach the processing agreement	As attached	
For example: security terms, requirements to act on your instructions, regular audits or other ongoing guarantees			
Note: new requirements for the terms of contracts under the GDPR (much more detailed than current law).			
8.4	How will the contract and actions of the data processor be monitored and enforced?	Power to audit under the processing agreement.	
8.5	How will direct obligations of data processors be managed?	Under the processing agreement	
Note: New direct obligations for processors under the GDPR, including security, data protection officer, record-keeping, international data transfers.			
For example: fair & lawful, lawful purpose, data subject aware, security, relevance.			
9. International data transfers - GDPR Articles 44 to 50			
9.1	Does the project involve any transfers of personal data outside the European Union or European Economic Area?	No	
9.2	What steps are taken to overcome the restrictions?	No	
For example: Safe Country, contractual measures, binding corporate rules, internal assessments of adequacy			
Note: GDPR has similar methods to overcome restrictions as under current law, but there are differences to the detail and less scope for an “own assessment” of adequacy.			

10. Exemptions

10.1	Will any exemptions for specific types of processing and/or specific DP requirements be relied upon for the project?	No	
------	--	----	--

For example: crime prevention, national security, regulatory purposes

Note: Exemptions under the GDPR to be assessed separately, and may be defined within additional EU or UK laws.

6. Sign off and record outcomes

Item	Name	Date
Measures approved by: (project owner) This must be signed before the DP can sign off on the DPIA.	David Nicoll, Customer Service & Transformation Manager. 	28/11/2022
Residual risks approved by: (If accepting any residual high risk, consult the ICO before going ahead)		
DPO advice provided: (DPO should advise on compliance, measures and whether processing can proceed)		
Summary of DPO advice:		
DPO advice accepted or overruled by		If overruled, you must explain your reasons
Comments:		
IT Security Officer: Where there are IT security issues		
IT Officer comments:		
SIRO Sign off: (For major projects)		
Consultation responses reviewed by:		
This DPIA will be kept under review by:		The DPO should also review ongoing compliance with DPIA

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3, 4, 5 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3, 4, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank