

Together for Nottingham



Recovery and Improvement Plan Refresh
October 2022

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Foreword

This document builds on our original Recovery and Improvement Plan by adding an update as to the position at the end of Year One and a further refresh in October 2022. The purpose of the original Recovery and Improvement Plan was to confirm and provide assurance to the Government that Nottingham's response to the Non-Statutory Review (NSR) of the Council was positive and being undertaken at pace.

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

We have recently delivered a new central car park and bus station and have seen the completion of a new city centre College Hub. We continue to build on the inward investment from those that want to be part of our success over the coming years.

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

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

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

Over the last 18 months we have made significant progress towards delivery of the Plan through, for example, the refresh of our Strategic Council Plan and launch of an Integrated Transformation Programme. However the landscape we operate in continues to evolve, creating new challenges such as the growth in inflation, which we need to manage in a safe and sustainable way.

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

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

Cllr David Mellen
Leader of the Council



Mel Barrett
Chief Executive



Introduction

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

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

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

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

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

The Council was subsequently approached by the Department for Levelling Up, Housing and Communities (DLUHC – formerly the Ministry for Housing, Communities and Local Government) with regards to the possibility of a Best Value Inspection being undertaken. An agreement was reached instead in October 2020 for a rapid Non-Statutory Review (NSR) to be carried out, led by Max Caller CBE. We fully accepted the recommendations of the NSR, and committed to both continuing the improvement journey commenced in relation to the PIR and implementing the findings of the NSR.

One of the outcomes of the NSR was the setting up of an Improvement and Assurance Board (IAB) by the government to provide the government with assurance that improvement was progressing at the Council. This Board has been in place since January 2021 and has overseen the Council's improvement journey, governed by the Together for Nottingham Plan over its first 18 months.

The October 2022 refresh of the Together for Nottingham Plan (formerly the Recovery and Improvement Plan) includes further updates and outlines additional work being undertaken, informed by events since the Year One refresh was drafted.

During a review of governance and financial management – a key component of the Plan – the Council found that funding from the ring-fenced Housing Revenue Account (HRA) had been drawn down for use in the General Fund, over a period of years, which resulted in a Section 114 Notice being issued. Immediate steps were taken to stop this from happening in future and to refund the HRA from the Council's General Fund.

In June 2022, we were notified by the Secretary of State that the Government was 'minded to' appoint Commissioners to the Council. This decision was made in the context of the HRA issue, the resultant independent Penn and CIPFA reports which had been commissioned to investigate how the issue had occurred and its overall impact and the quarterly progress reports from the Improvement and Assurance Board (IAB), which has been working alongside the Council since the inception of this Plan. We were invited to make representations in relation to the proposed measures, and the Council and a range of stakeholders chose to do so.

This decision was subsequently amended, and instead the IAB was placed on a statutory footing. We have developed a good working relationship with the IAB and remain committed to working in partnership with both the IAB and DLUHC to implement the necessary reforms in a prompt, robust and sustainable way.

The Council accepts the new statutory measures implemented in early September 2022, and acknowledges that the IAB now has the power to direct the Council instead of offering recommendations and advice. We are mindful of the need to accelerate the pace of improvements required to deliver the required transformation, in collaboration with the IAB, and we remain committed to doing so to the greatest degree possible. Finally we also acknowledge the

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publication of an Ofsted report in September 2022 into the performance of our Children's Services directorate. The Council is fully committed to implementing the recommendations coming out of this and this is discussed more in the Further Reviews section of this Plan.

October 2022 Update

Since the publication of the refreshed Together for Nottingham Plan, in early 2022, the Council has continued to work at pace to deliver its commitments and this revised text will provide a progress update and new commitments, within the thematic action plans. However, progress has not been linear and some significant challenges have been identified.

Following the identification of the HRA issue, a decision was reached to bring Nottingham City Homes, the council company responsible for the Council's social housing stock, back in-house. This process is underway and expected to be complete in early 2023.

An Ofsted inspection of Children's Services also identified significant areas for improvement in that directorate. Whilst some areas of good practice were identified, the service as a whole was judged to be inadequate, a deterioration from the position at last inspection. This finding, while disappointing, provides a clear mandate to improve our service to some of our most vulnerable residents.

We have also pursued a major opportunity to address decades of under-investment in our region. Following the publication of the Government's Levelling Up White Paper, we were among nine local authorities invited by Government to pursue a devolution deal. We worked with Nottinghamshire County Council, Derby City Council and

Derbyshire County Council to secure an offer of a Level 3 devolution deal for the East Midlands. This offer will result in the creation of an East Midlands County Combined Authority (EMCCA) and come with over £1bn of funding for the region over the lifetime of the deal. This is a significant opportunity for Nottingham allowing it to take part in a pragmatic solution for regional government which, through working with other authorities with different political leaderships, will provide the best overall outcomes for the city. We believe that, by fully embracing the improvement journey we are currently on, the Council will be well-positioned to maximise the opportunities and ambitions of the devolution deal. Our commitment to and our ability to provide capacity towards the devolution deal, whilst still delivering improvement can be seen by the significant amount of work that had to be done in a short space of time to get the devolution deal signed. Now that we have that agreement in principle we will continue to support this initiative in the same proactive manner, delivered by a suitably experienced team within the Council.

Key Progress to Date

The Council has laid strong foundations on which to deliver long-standing and sustainable improvements, through the achievement of a number of key milestones. It is recognised, in light of the findings of independent reports, including those of the IAB and Ofsted, that there is still significant progress to be made if we are to achieve true transformational change and meet our Best Value obligations for our residents. We are also mindful that, whilst we have achieved a lot the pace of our delivery can and will be increased further and that there will be more difficult decisions for us to take in the future as we deliver our aims.

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In the following pages each Theme sets out what it has achieved in the first year of the Together for Nottingham Plan in more detail alongside further updates arising from the October 2022 refresh. The highlights are summarised below:

- Approval and implementation of a refreshed Strategic Council Plan, i.e. the Council's Policy Framework
- The creation of a new Performance Management Framework linking the Strategic Council Plan to Service Plans to the Medium Term Financial Strategy and to individual performance appraisals
- Approval and implementation of a new Constitution for the Council
- A review and re-alignment of member portfolios
- A top tier officer restructure and recruitment
- An in depth review of the organisation's culture
- The creation of an Integrated Transformation Programme
- New and embedded budget oversight procedures
- A new and embedded Assets Disposals Policy
- The creation of a Corporate Landlord function
- In depth reviews of the Council's Companies
- The creation of a Shareholder Unit to manage the Council's relationship with its companies more effectively.
- Strengthened companies governance arrangements
- The disposal of Thomas Bow

- A new and embedded Debt Management Strategy
- A new and embedded Capital Strategy accompanied by a revised Capital Programme
- A new and embedded capital governance and control framework introducing new project controls.
- Training programmes created and rolled out for both members and officers
- The completion of actions from the report in the Public Interest

Key Changes to the Together for Nottingham Plan

The initial version of the Recovery and Improvement Plan, now known as the Together for Nottingham Plan, was based on the findings of a Non Statutory Review carried out in November 2020. The Plan was last amended in early 2022, taking into consideration increased knowledge of the challenges facing the Council and progress to that date in relation to the delivery of the Plan. This revision provides further updates against the milestones and key dates in the revised Plan.

In June 2022 the Council was informed that the then Secretary of State for Levelling Up, Housing and Communities was 'minded to' intervene in Nottingham via the appointment of Commissioners. However, prior to making a final decision there was a period in which various parties, including the Council could make representations to him with regards to this decision.

In September the Council received further correspondence that instead of appointing commissioners, that the IAB would be placed on a statutory footing. Following this change in status further

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information has been requested by the IAB. This revision therefore incorporates a response to these changes and requests for information.

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

It should be stressed that the main objectives of the Together for Nottingham Plan and its key deliverables remain unchanged. The second refresh of the Plan does however go into more detail on the steps that the Council in the next phase of the improvement journey in response to both the Directions received from the Secretary of State for Levelling Up, Housing and Communities and further input from the IAB since they moved to a statutory footing.

To summarise the key changes in the document are:

- The addition of a section outlining the responses to the reviews into the HRA and Ofsted inspection.
- A series of updates and clarification of milestones across the Themes
- Further actions to help ensure that change within the organisation becomes embedded building on the foundations laid in the first 18 months of the Plan.

Delivering this updated plan will lead to real and positive change, with lessons learned being applied to a new Council Plan for 2023 to 2027, in line with the council's electoral cycle. These lessons will doubtless prove useful in operationalising a devolution deal, and when planning for the election of a mayor for the proposed EMCCA.

Strategic Context

Introduction

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

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

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

Design Principles

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

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

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

These principles will form the starting point for our operating model from which we look at any future changes to how the Council operates, whether it be its structure, processes, policies and / or services.

Core Documents

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

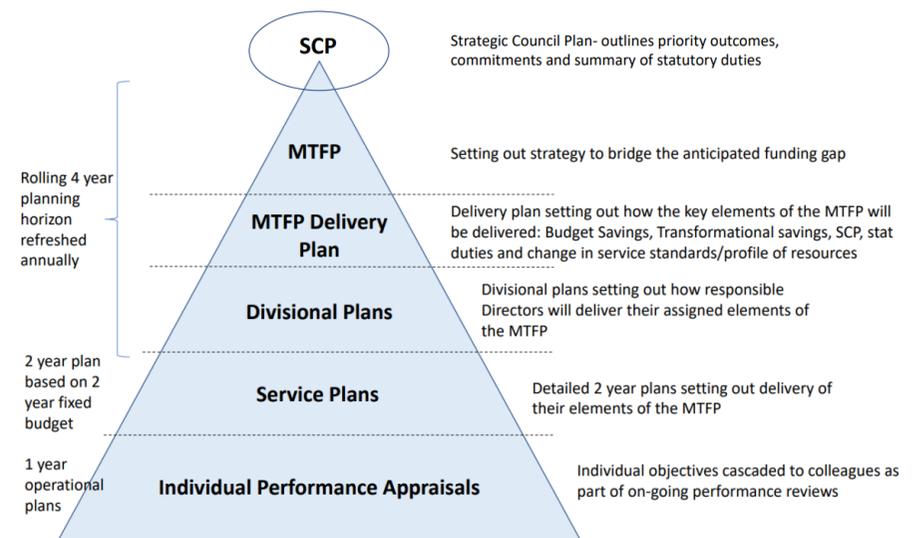
- The Medium-Term Financial Plan (MTFP) (rolling 4-year plan) and subsequent MTFP Delivery Plan;
- The Together for Nottingham Plan (2021/22 to 2023/24):
- The (refreshed) Strategic Council Plan (SCP) 2021/22 to 2022/23; and,
- Divisional Plans and Service Plans (rolling 2 year plans)
- Individual Service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

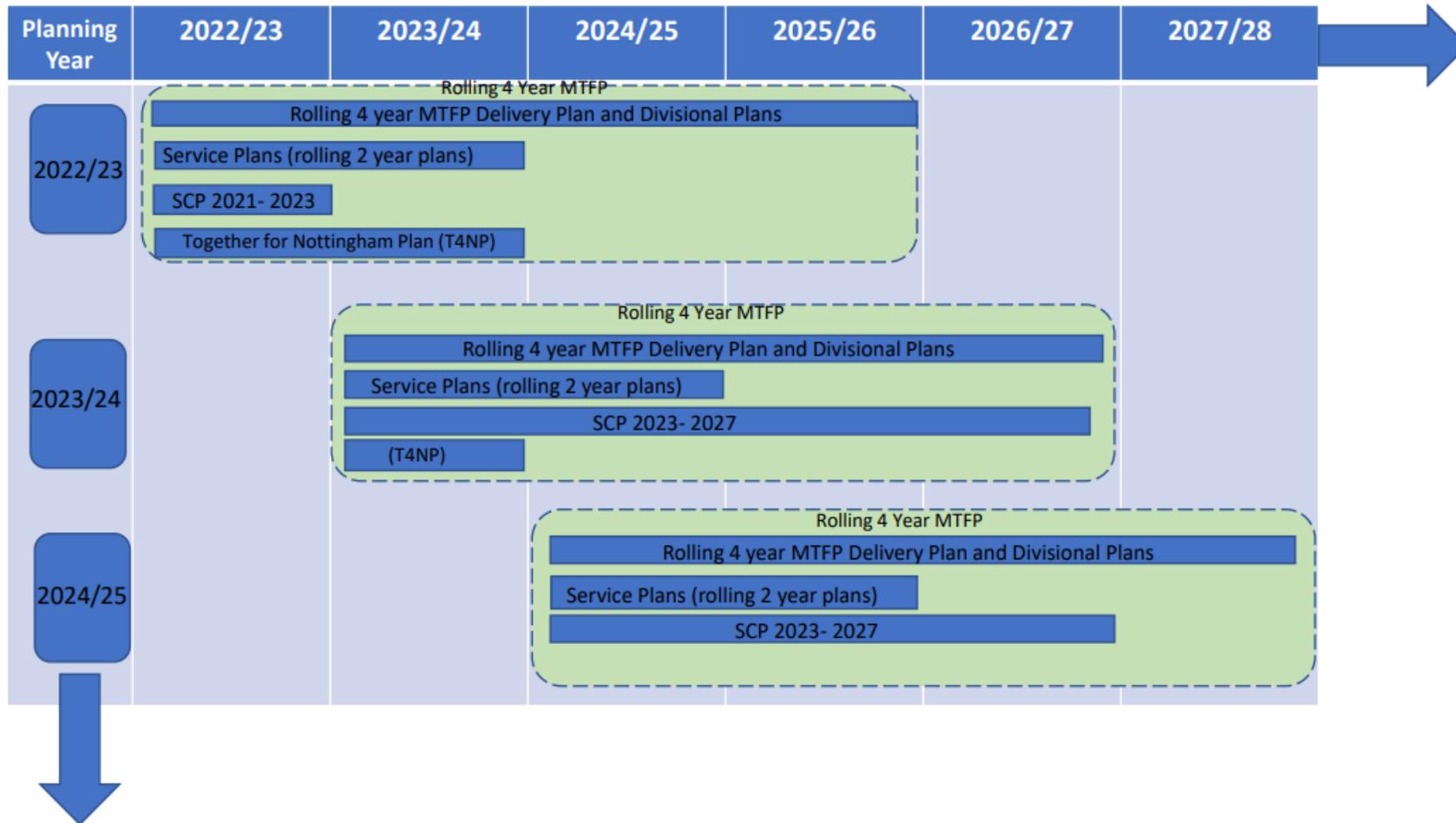
These plans cover different time periods due to the differing purposes and origins of their development. Nonetheless they are all interconnected and integral to each other under the unifying umbrella of the MTFP.

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

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

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





Whilst there may be differing time frames associated with the key strategies and policies, the four year rolling MTFP and budget envelope is the unifying factor, and the MTFP delivery plan is

refreshed annually to define what can be delivered with the available resources. There are other key strategies and policies, some still in development (e.g. Risk Policy and HR Policy), which will be brought together under a coherent policy framework as part of theme 8.

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Governance & Assurance

Aims & Principles

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

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

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

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

The High Level Priorities for the Recovery Plan are:

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

Objectives

The Recovery Plan will / has deliver (ed):

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

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Plan Delivery

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

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

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

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

Prioritisation

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

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

and supplemented with input from the Improvement and Assurance Board, acknowledging their criticism of the pace and robustness of Council decision-making, and of delays in taking the appropriate action when issues have been identified previously.

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

Governance of the Recovery Plan

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

The Improvement and Assurance Board is chaired by Sir Tony Redmond, and membership includes the Leader of the Council alongside a number of independent external members, who have been appointed by the Secretary of State to provide oversight and confidence in the delivery of the Recovery and Improvement Programme. Since September 2022 the Improvement and Assurance Board has been placed on a statutory footing.

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

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and projects within the overarching Together for Nottingham Plan. This work will be supported by a Programme Management Office (PMO), to ensure the Together for Nottingham Plan is delivered within its parameters.

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

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

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

This will be done through the creation of a rigorous monitoring process focussing on delivery against milestones, risks, financial

implications, and issues that need to be escalated to ensure the programme's success.

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

Plan Management

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

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

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

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

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

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It is likely that over time, given the extent of the Together for Nottingham Plan and its duration, that other work will be added or potentially sometimes removed, from the Programme. This will only be done in order to ensure that its long-term objectives continue to be met, and will take place with reference to a clearly defined change protocol.

Links to other non-Recovery Plan Activity

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

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

Resources and Management

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

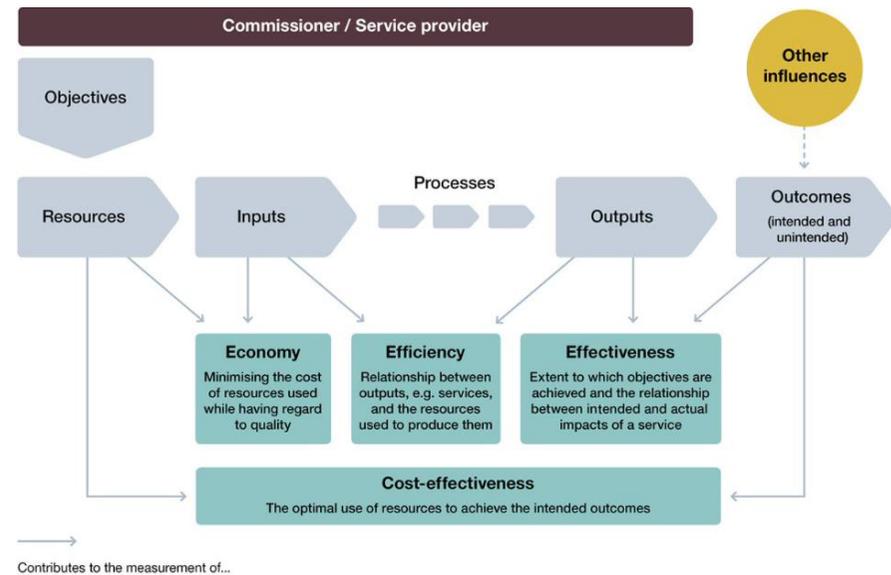
In the short term, it is also acknowledged that the scale and the pace required to successfully deliver this Together for Nottingham

Plan will inevitably lead to a need to provide further resource into the Council on a short term basis. Resourcing requirements are determined through the creation of Resource Plans for each of the Themes within the Plan, and appropriate allowances will be made to finance this requirement in the Council’s budget setting process. The Council will ensure that this resource does not become core to its ongoing functions and is capable of being quickly stepped down once the specific pieces of work required by the Plan have been carried out.

External Support

We have taken on board feedback from DLUHC and other sources about, at times, being too internally focused, and will seek out sector appropriate support from external agencies where necessary. During the first 18 months of the Together for Nottingham Plan the Council has become more externally focussed, looking at practice from elsewhere and beginning to embed the continual improvement required as part of our Best Value Duty.

With regards to embedding Best Value we are drawing on National Audit Office guidance to outline how the processes around ensuring that Best Value is achieved are enshrined into our governance and assurance process. The diagram below, from the National Audit Office, outlines how these processes need to be considered.



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

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

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

The LGA has already provided considerable support to the City Council to date, demonstrating the strength of the sector and the willingness of our partners to collaborate and help us in our improvement journey.

This support has included:

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

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

Governance:

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

Organisational Culture & Leadership:

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

Companies and Joint Ventures:

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

Financial Stability:

- Challenge and advice on the financial strategy.

Monitoring Progress

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

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

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

Financial Sustainability

Budget year to date (YTD) variance and Forecast Variance will be monitored using the existing period reporting process, with reporting to a range of forums including the Corporate Leadership Team and

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Financial Leadership meetings, involving both members and officers. Quarterly figures with commentary will be produced as part of the suite of KPIs for the Improvement and Assurance Board. A mechanism will be developed to distinguish between business as usual (BAU) resources and those consumed on a temporary basis to deliver specific action plan objectives. This will help establish the underlying budget position.

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

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

Culture, Organisation and Workforce Development

Nottingham City Council already undertakes annual employee surveys in addition to the daily contact individuals have with each other and with management. These will allow progress to be measured on the effectiveness of the council's managerial leadership and staff satisfaction in undertaking their roles and provide useful insight into the wellbeing and fulfilment of our employees, as well as shedding

some light on where the organisation could do more to help them achieve their full potential. The Together for Nottingham Plan also involves the roll out of a number of training activities, take up and

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

Risk Management

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

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

Risk Analysis and Recording

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

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

Risk Monitoring

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

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

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

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

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

Key Programme Risks

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

- Loss of confidence by DLUHC leading to statutory intervention.

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

Culture and Transformation

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

Transformation

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

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

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

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

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

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

Further details on our Transformation activity and the nature of our programmes can be found later in this document in Theme Seven, Service Design and Delivery

Culture

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

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

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

- The organisation's pride in itself and the dedication of its employees (as evidenced by its response to the Coronavirus pandemic for example), are impressive, and are strengths that can be built on.
- Evidence-based decision-making should explicitly be part of our culture, and bringing forwards challenging/contrary evidence should not be seen as demonstrating a lack of commitment to the Council's ambitions.

- Nottingham's strong narrative of being different, whilst positive in terms of ambition and innovation, has created a blindness to learning from best practice and innovation elsewhere. As budgets have becoming tighter, this approach has proved increasingly difficult for the city.
- Setting a positive future for the city and council will be less about doing for, and more about doing with our residents and communities, with our citizens more actively engaged in determining how our services are designed and delivered.

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

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

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

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

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

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

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

External Engagement

The decision to rename the updated Recovery and Improvement Plan the Together for Nottingham Plan built on and reflected the commitments in the refreshed Strategic Council Plan. At this stage, more than 18 months on from the beginning of our journey, the priority remains to work with local people and our partners to deliver our strategic outcomes that will make Nottingham a world-class city that is Safe, Clean, Ambitious and Proud.

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

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

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

We will achieve this by carrying out an evidence led, needs analysis of our locally based services as part of our Transformation Programme, drawing in external expertise where this will add value. We will use the findings of this exercise to help shape dialogue with

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our residents, communities, voluntary sector and our partners to explore how we can work together, looking at different models of delivery from commissioning to co-production, to achieve these outcomes. At the same time we will continue to communicate with our residents through a variety of channels, for example social media, or the thrice weekly Leaders e-mail letter, to ensure that they remained informed about the transformation happening in the city.

The council is also increasingly looking upwards and outwards in terms of identifying potential learning and collaboration opportunities, including working with Nottinghamshire County Council, Derby City Council and Derbyshire County Council, and Borough and District Councils. In February, following the publication of the Government's Levelling Up White Paper, Nottingham, Nottinghamshire, Derby and Derbyshire were among nine local authorities invited by Government to submit a bid for devolved powers.

Over the summer of 2022, a bid was submitted for a Level 3 deal, which would involve the creation of an East Midlands County Combined Authority (EMCCA). Government has offered the region a deal worth in the region of £38m annually and over £1.1bn over the lifetime of the deal. Should this deal be ratified by the councils, this will provide immense potential to secure improved outcomes for the people of the city through greater collaboration and additional powers and resources. The funding package on offer also provides opportunity to attract investment to the region, and to improve our local infrastructure. We also have an opportunity to access time-

limited, in-year capital funding which if approved could allow us to deliver capital projects to benefit our residents.

Many of the key principles underpinning the Government's Levelling Up agenda align with the transformation we want to achieve in Nottingham.

In addition, the achievement of a devolution offer demonstrates that the Council can work at pace, and rapidly build the relationships needed to achieve our strategic priorities. The Council is determined to identify and identify learnings from the process to inform how we approach the wider programme of transformation.

Plan Structure

1. MTFS

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

2. Assets

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

3. Companies

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

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

4. Capital Programme

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

5. Constitution (Governance and Decision Making)

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

6. Organisation & Culture

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

7. Service Design and Delivery (formerly Delivery Options)

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

8. Council Plan

A refreshed Council Plan for 2021-23 that enables the City Council to live within its means, with a longer term revised policy and performance framework that clearly articulates our priorities and purpose to citizens, businesses, partners and other stakeholders.

Sustainable Finances				How We Deliver		Council Plan	
1. MTFS	2. Assets	3. Companies	4. Capital Programme	5. Constitution (Governance and Decision Making)	6. Organisation & Culture	7. Service Design and Delivery (formerly Delivery Options)	8. Council Plan
2021/22 Budget	Asset Disposal (including commercial and operational properties)	Commercial Strategy	Capital Strategy	Updated Constitution	Setting Top-Level Goals	Business Case Approval	Refresh of the Council Plan 2019 - 2023
4 year MTFS and Transformation Programme	Corporate Landlord	Company Governance	Debt Management Strategy	Member / Officer Roles and Responsibilities	Individual Performance Appraisals	Service Design and Delivery Implementation	Performance Management Framework
Spending Controls and Oversight	Community Assets	Council Owned Company Review	Review of Capital Schemes	Member Development Programme	Simplifying the Officer Structure	Resourcing	Policy Framework
Improving Financial Management Across the Organisation			Programme Controls	Review of Portfolios	Culture & Workforce Development	Capability Building	
				Development of Scrutiny		Transformation Plan Review	
				Good Governance			

Theme One: MTFS

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

Budget and Savings Proposals

This work-stream started with focussing on the 2021/22 budget but now rolls into future cycles, where a proposed budget will be submitted to the Council's Executive Board in November/December each year, to commence the formal consultation process and February the following year to finalise proposals following the consultation. Once adopted, the budget is monitored through the introduction of new budget oversight procedures to ensure savings are tracked and delivered. These procedures are approved by Executive Board, and ensure that both members and officers are clearly sighted on the budget and the key risks surrounding it and that they have a joint responsibility for managing these.

4 Year MTFS and Transformation Programme

We will deliver a four year sustainable Medium-Term Financial Strategy (MTFS) each year with two years 'firm' and two years 'indicative'. This will be based on the work of Themes 2-8 which all support delivery of a sustainable MTFS.

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

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

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

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

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

Spending Controls and Oversight

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

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

Improving Financial Management across the Organisation

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

and improve procurement practices through the embedding of new Contract Procedure Rules within the Council.

Key Objectives

- A balanced budget and a sustainable MTFS for the four year period.
- Reduced reliance on commercialisation to fund core services, ensure that core services are affordable in the longer term and removing fluctuating dividend income from core funding.
- Provide greater budget oversight and accountability, promoting CIPFA financial management standards, with Members and Officers sighted and jointly accountable.

Key Deliverables

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

- A balanced budget.
- An affordable financial envelope and a sustainable MTFS for the next four years
- A full Integrated Transformation Programme, backed with appropriate resources and project methodology and documentation.
- A robust Capital Strategy incorporating a Debt Management Strategy.
- New budget oversight procedures and controls

- The promotion of compliant procurement processes and a more strategic approach to commercial activity and contract management.

Key Activities

The key activities of this work-stream are:

- Delivery of Medium-Term Financial Strategy and balanced budget for 2022/23 – 2025/26.
- Align the Council's Strategic Council Plan and Divisional Service Plans within the authority's affordability envelope.
- Significant project work across the Council on the key areas of service reform identified through the Integrated Transformation Programme.

Key Risk

Key high level risks identified at this stage are:

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

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

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

Key Activity Completed

A number of improved controls have been put in place to assist the Council to manage its finances during 2021/22. These linked to work in other Themes and the creation of new Debt Policy and Capital Strategy have helped set the foundations for the Council to be able to put its financial planning onto a more strategic basis.

Key amendments to the refreshed Together for Nottingham Plan

There have been three key additions to this theme since the original Together for Nottingham Plan was adopted. The first is the inclusion of a review of the Council's Risk Policy, appetite, tolerance and procedures.

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

The third is the development of a perpetual rolling 4 year MTFP delivery plan that will articulate how the assumptions in the MTFP

(savings, transformation etc) will be delivered and managed. The rolling MTFP will clearly set out the financial context of the future strategic council plan. The MTFP delivery plan will be based on divisional plans that in turn will inform service plans and individual

performance appraisal objectives of colleagues. Performance and risk management in terms of delivery will be part of the performance management arrangements under the performance management framework (PMF) under theme 8.

Actions

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

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

Work-Stream	Actions/Milestones	Timescale
	Project milestones, deliverables, risks, accountabilities, interdependencies etc determined.	Q2 2021/22
	Project milestones monitored and necessary corrective actions taken via PMO (ITP).	Q3 2021/22 Complete (set up – then ongoing)
	Approve Reserves Policy	July 2022 Complete
	Creation and ongoing deployment of robust processes for monitoring the impact of service transformation on the MTFP	July 2022 and ongoing Complete for set up – now ongoing monitoring
	Update savings tracker for 22/23 savings and review historic savings proposals	Oct 2022
	Finalise the budget reductions necessary in order to meet the target savings arising from transformational change	Oct 2022
	Conduct review of reserves in line with Cipfa best practice guidelines	Nov 2022
	Approve budget proposals for consultation by Executive Board	Dec 2022
	Approval budget proposals post consultation by Executive Board	Feb 2023
	Update MTFP for next four year cycle and confirm 23/24 budget and medium term plan to 2027 at Full Council	Mar 2023
Spending Controls and Oversight	Member oversight panel established to oversee progress on transformation through dashboard / exceptions reporting.	Feb-2021 Complete
	Review of overall resourcing plan.	Feb-2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Approval of Business Cases and PIDs – Alignment of programme with resource needs.	Mar-2021 Complete (set up – then ongoing)
	Early identification of likely resources and expenditure pressures and impacts of transformation programmes.	Mar-2021 Complete
	Monthly monitoring of progress. Officers held to account for delivery. Mitigations agreed for Amber and Red items.	Q1 2021/22 Complete
	Early member workshops on priorities and pressures from April 2022.	Q1 2021/22 Complete
	Early draft budgets agreed identifying further work to establish a fully funded 4-year programme.	Q2 2021/22
	Draft budget agreed for 8 week consultation period to end Christmas 2021.	Q3 2021/22 Complete
	MTFS approvals cycle – outcome-based budgets on a 2-year firm/2-year indicative basis.	Q4 2021/22 Complete
	Review of the Council risk policy, risk appetite and risk tolerance, leading to robust procedures for risk management and accountability.	Q4 2021/22 Complete
	Adopt a revised Risk Policy	Apr 2022 Complete
	Plan the approach to sharing the revised risk position across the organisation to ensure this is widely understood and embedded	Q4 2021/2022
	Review how risk is integrated into systems and procedures across the organisation, identify what changes are required and implement them	Q4 2021/2022
	Deliver risk training across the organisation as part of the Leading and Managing Together programme	Oct 2022
	Development of agreed plan with External Auditor for the sign off of Council accounts	TBC

Work-Stream	Actions/Milestones	Timescale
Improving Financial Management Across the Organisation	Introduction of new Oracle ERP system covering Financial, HR and Procurement processes and a move to self-service management	Q1 2021/2022 (Finance) Complete Q2 2021/22 (HR) Complete
	Comprehensive Training package for Directors, Manager and budget holders on the new system	In line with Finance and HR rollout above. Complete
	Introduction of Budget Review and Oversight Groups (BROGs) to provide grip on budget management and hold both Directors and Portfolio Holders to account for budget spend and mitigations	Q1 2021/2022 Complete
	Introduction of Capital Board and a range of systemic process to prioritise spend and centralise resources with a clear capital strategy	Q1 2021/2022 Complete
	CIPFA training for all senior officers (mandated) and members on the new CIPFA Financial Management code	Q2 2021/2022. Complete
	Develop and deliver a Financial Improvement Programme that includes, financial leadership and capacity, budget and system integrity including financial planning, financial control including forecasting and organisational culture, mandate and clarity of accountabilities across the organisation for effective financial management.	Mar 2023

Work-Stream	Actions/Milestones	Timescale
	Complete recruitment into Finance in order to ensure that the required capacity and skills are in place to deliver the Financial Improvement Programme	Mar 2023
	Agree model with Corporate Directors on the roles and responsibilities of central and devolved finance capacity	Dec 2022
	Create further guidance and training on posting, coding and use of journals for colleagues	Mar 2023
	Embed delivery of best practice establishment control, Purchase Order Processing and Income/Grants management into NCC and ensure that 'Actuals' are well managed and controlled.	Feb 2023
MTFP Delivery Plan	First draft of Divisional Plans returned and used to begin drafting of Delivery Plan	Feb 2022 Complete
	Delivery Plan finalised, agreed with CLT and shared with IAB (alongside MTFP)	Feb 2022 Complete
	Second draft of Divisional Plans returned to Directors with financial envelopes included	Mar 2022 Complete
	Directors return final Divisional and Service Plans - used to redraft Delivery plan (if necessary)	Mar 2022 Complete
	Divisional and Service Plans go live	Apr 2022 Complete

Accountability

Lead Councillor	Portfolio Holder for Finance
Lead Officer	Corporate Director Finance and Resources.

Theme Two: Asset Management

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

These assets will include:

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

Asset Disposal Strategy

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

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

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

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

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

Operational Assets

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

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

Community Asset Review

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

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

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

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

Key Objectives

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

Key Deliverables

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

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

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

Key Activities

The key activities of this work-stream are:

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

Key Risk

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

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

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

Key Activity Completed

Following a review of the asset pipeline to ensure a more robust forecast, we are now on track to deliver the revised forecast position for capital receipts by the end of the financial year 2022/23, following the generation of c£30m of receipts in the preceding two years.

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

A draft of a Community Asset Policy has been produced, alongside a review of community properties, and a full review of the

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investment portfolio has been commissioned. A full review of the commercial portfolio has also been initiated.

A review of how effectively Council manages its property, has been commissioned and recommended the implementation of a corporate landlord model, which is being implemented in 2022.

Key amendments to the refreshed Together for Nottingham Plan

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

While much of the focus in the first year was about ensuring that adequate capital receipts are realised, and that robust decision-making processes were in place, this next phase of the action plan needs to build upon this work to ensure that all council property assets are managed effectively to maximise the benefits to the Council.

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

In the first year we commissioned an independent review of how the Council manages its property assets and makes related decisions,

the recommendations from which proposed the implementation of the Corporate Landlord model, which was agreed to in principle.

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

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

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

Actions

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

Work-Stream	Actions/Milestones	Timescale
	Procure and implement specialist expertise to support the sale of investment assets	Feb 2022
	Undertake 150 asset reviews and present outcomes and recommendations for decision	Dec 2022
	To review potential long terms disposal opportunities within the commercial portfolio	Dec 2022
	Ongoing engagement with service areas to identify further assets that are identified as surplus as a result of transformation programme and budget savings.	Sept-2023
	Further 400 asset reviews to be completed and presented with recommendations for decision	Dec 2023
Corporate Landlord	Agree with CLT that the Corporate Landlord model is the desired approach for the Council and undertake an independent review to provide detailed proposals for taking the model forward	Sept-2021 Complete
	Approval of enhanced Corporate Landlord Business Case and move to broader Corporate Landlord Model	Jan 2022
	Following the independent review to develop recommendations and implementation plan for approval	Feb 2022 Complete
	To establish project group and transformation team to deliver the change programme	Feb 2022 Complete
	Commencement of recruitment to Property team vacancies within the new structure,	Oct 2022
	Lift and shift Building Services and Facilities Management into the Corporate Landlord	Nov 2022
	Development of Corporate Landlord vision for the wider Council, including the identification of further assets and functions to bring into its scope alongside the development of an accompanying Business Case.	Nov 2022
	Commence recruitment into Property leadership roles	Dec 2022

Work-Stream	Actions/Milestones	Timescale
Community Assets Review	Review community assets to identify potential properties for disposal or a change in terms.	Jun-2021 Complete
	Approval and adoption of Community Asset Policy	Jan 2022
	Undertake consultation process on the Community Asset Policy.	Nov 2022
	Ensuring appropriate arrangements are in place for existing community tenants	April 2023

Accountability

Lead Councillor	Leader of the Council, advised by Asset Rationalisation Board and Portfolio Holder for Leisure, Culture and Planning
Lead Officer	Corporate Director Growth and City Development.

Theme Three: Companies

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

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

Council Owned Company Review

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

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

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

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

- Type of ownership (subsidiaries, associates, joint ventures and minority interests).
- Companies showing early signs of financial distress.
- Levels of debt to NCC and requirements for comfort from the parent (NCC)

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

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

Together For Nottingham

A decision to bring Enviroenergy in-house subject to satisfactory due diligence was approved in June 2021 and the transfer of functions back to the Council happened on the 1st December 2021. A further decision to bring Nottingham City Homes back in house has also been taken and work is underway to complete this activity by the end of March 2023, further detail can be found in the Further Reviews section of this plan.

Companies currently under consideration for in-housing are:

- Nottingham Revenue and Benefits (NRB) – this will be considered as part of the Council's MTFP process

Company Governance

The work already undertaken to review and revise the arrangements for the governance of Council owned companies will continue, and be split between Theme Five: Constitution (Governance and Decision Making) and this theme.

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

Commercial Strategy

Where Council companies offer reasonable levels of assurance of future financial returns, the City Council will seek to maximise this benefit through the development and application of an overarching commercial strategy. This will include an assessment of directly delivered charging activity and the treatment of surpluses generated by services that are able to compete in mature markets. Linked to the Commercial Strategy the team overseeing the Council's commercial activities are also playing a role to ensure that other significant initiatives with commercial aspects are appropriately set up, managed and resourced. Examples of this include the work to bring Nottingham City Homes in house and work connected with the Council's Private Finance Initiative (PFI) contracts. In addition to this work it should also be noted that the Council has undertaken further activity with regards to its companies, for example through the disposal of Thomas Bow.

Key Objectives

- Provide greater visibility of company performance and risk profile of the wider City Council group.

Together For Nottingham

- To reduce overall complexity and simplify the management and oversight of all core Council activities by reducing the number or alternative delivery vehicles.
- To strip out duplication of overhead and management costs by bringing core functions in house where there is no imperative to maintain externalised delivery vehicles.
- To identify opportunities to generate capital receipts to the Capital Programme through divestment of interests in profitable activities that are outside the City Council's core competence.
- To establish robust shareholder controls and assurance mechanisms for those companies Nottingham City Council maintains.

Key Deliverables

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

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

Key Activities

The key activities of this work-stream are:

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

Key Risk

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

Key Activity Completed

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

New companies governance principles have been agreed as part of the refresh of the Council's constitution. The Council has also benefited from the support of CIPFA in carrying out in depth reviews on its subsidiary companies. Decisions have been taken at Executive Board on the future of Enviroenergy, bringing it back in house and awarding of a contract to Nottingham Revenues and Benefits and the sale of Thomas Bow. Further decisions based on these reviews and the Council's ongoing analysis of alternatives to its current company structures will be forthcoming shortly.

Key amendments to the refreshed Together for Nottingham Plan

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

Actions

Work-Stream	Actions/Milestones	Timescale
Commercial Strategy	Issue interim commercial principles for companies to guide and assure tactical decisions.	May-2021 Complete
	Scoping operational boundaries of a commercial strategy, confirming what activities are included/excluded, prior to a Due Diligence review taking place	Q3 21/22 Complete
	Review of internally delivered fees and charges income including profitability levels (pre and post Covid) growth options and options to withdraw from non-surplus generating activity.	Q1 2022/23
	Draft Commercial Principles	Apr-21 Complete
	Finalise and approve Commercial Principles	May-2021 Complete
	Develop and approve a principles based strategy for commercial ventures (including companies) in 2022 with a full commercial strategy in 2023	Nov-22 Full Commercial Strategy 2023
Company Governance	Critical monthly quantitative analysis – prepare company and summary reporting for management and CGESC.	Feb-2021 Complete
	Establish resourcing plan and recruit internally / externally	Feb-2021 and Apr-2021 Complete
	Identify and implement corporate assurance measures for each of the decisions required	Apr – Sept 2021 Complete
	Resolve immediate resourcing issues with the Shareholder Representative team	May 2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Design and formalise a Shareholder Unit with clear roles, reporting and escalation processes, ensuring engagement with appropriate departments and Boards	May -2021 Complete
	Formalise any outstanding approvals in relation to Companies	Jun-2021 Complete
	Approval for Shareholder Unit proposals (with CGESC)	Jun – 2021 Complete
	Engagement with Financial and Managing Directors to develop understanding of operations, management and controls	Jul - 2021 ongoing
	External review of Company Board skill requirements with the relevant Company Boards (two companies complete)	Aug – 2021 ongoing
	Implement codified roles and responsibilities between Boards and Shareholder Unit to support implementation of revised policies	Sept – 2021 ongoing
	Approval of Companies Governance Handbook as constitution framework document	Sept-22 Complete
	Confirmation that major project teams are appropriately set up, resourced and governed for areas with significant commercial considerations (for example bringing NCH in house / PFI work)	Oct-22
	Launch Companies Governance Handbook and undertake training via workshops	Nov-22
	Self-Assessment of Council appointed Director competencies	Nov-22
	Appointment of Commercial Director	Jan-23 (with target to accelerate)
	Shareholder Unit – appoint to outstanding finance role (support internally in the interim period)	Jan-23
Council Owned Companies Review	<u>Enviroenergy</u>	

Work-Stream	Actions/Milestones	Timescale
	Develop immediate options analysis for Enviroenergy.	Jan-2021 Complete
	Letter of Comfort issued	Mar -2021 Complete
	Undertake Due Diligence and prepare recommendation and submit for decision	May-2021 Complete
	Implement business transfer	Formal transfer Dec 2021 Complete
	<u>Nottingham Revenues and Benefits Ltd</u>	
	Prepare recommendation for contract award to TECKAL company and submit for decision	May – 2021 Complete
	Support Business Change	May – 2021 Complete
	Undertake review of longer term ownership options and scope of activities to maximise value	Q4 2021-22
	<u>Nottingham Ice Centre</u>	
	Stabilise short term solvency with credit facility and formalise loan arrangement	Apr-2021 Complete
	Establish dialogue with Sport England regarding options to augment usage. Explore longer term options for funding	Jun-2021 In progress
	Enhanced monitoring of cash flow and order book	Jul – 2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Prepare recommendation for longer term options and submit for decision	Q4 2022/23
	<u>Thomas Bow Ltd</u>	
	Review options for retention/ option for disposal through sale of NCC interests and undertake third party valuation	Apr -2021 Complete
	Close outstanding Shareholder agreements/ articles subject to preferred option	Jan 2022
	Identify preferred option, prepare recommendation and submit for decision	Jan 2022
	Implement business changes	Complete
	<u>Nottingham City Transport Ltd</u>	
	Awaiting findings from CIPFA review	April 2021 Complete
	Work with company to resolve pension schemes and understand cost mitigation strategies for NCT company scheme and Local Government Pension Scheme	May 2021 – NCT scheme complete / LGPS in progress
	Review findings of CIPFA review	July 2021 Complete
	Confirm Council conclusions for each CIPFA recommended area of consideration (following resolution of LGPS changes)	Jan 2023

Work-Stream	Actions/Milestones	Timescale
	<u>NCH</u>	
	NCH Governance Review & confirmation of changes to achieve best practice	Q4 2021/22
	Bringing NCH in house	Covered in Review Section of the TfN Plan
	Options developed for revised structure of NCH and its subsidiaries	Nov-22
	Implementation of preferred option for NCH subsidiaries	Mar-23
	<u>Blueprint</u>	
	Review ownership in line with Cipfa principles, develop proposals for future involvement	Sept 22 review completed, options continue to be developed
	<u>Other Holdings</u>	
	Set out plan to complete the review of both subsidiary and non-subsidiary companies (with mechanism to track progress)	Nov 22
	Complete the work required to determine the future of all subsidiary and non-subsidiary holdings	Subsidiaries 2023 Minority Interests Mar -24

Accountability

Lead Councillors	Portfolio Holder for Neighbourhoods Safety and Inclusion and Portfolio Holder for Adult Social Care and Health.
Lead Officer	Corporate Director Finance and Resources.

Theme Four: Capital Programme

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

Capital Strategy

A revised capital strategy enables the Council to understand why and how it allocates capital resources within the resources available, and ensures that effective decision making, governance and controls of the programme are in place to enable a sustainable programme going forward.

The revised strategy includes a clear prioritisation process and associated governance framework, this is underpinned by strong governance structure, headed by a Capital Board, that has been introduced as part of the Council's improvement journey.

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

Debt Management Strategy

Nottingham City Council recognises the need to reduce its current level of external debt to a more sustainable level. In addition to establishing clear priorities for the Capital Programme and raising the funds to reduce the risk of critical service failures, the Council will use capital raised through the Asset Disposal programme to reduce its debt servicing costs as a proportion of net revenue expenditure over time. The Council will set out a further strategy outlining the planned trade-off between debt servicing costs falling and capital ambition and consequent use of receipts / scale of current ambition over the medium term as part of its overall budget setting process.

Review of Capital Schemes

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

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

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

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

Strengthened Programme Controls

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

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

Proposals to improve financial forecasting on the timing of expenditure within the Capital Programme will also be developed to help reduce the amount of slippage currently reported.

Key Objectives

- To create a fully funded capital programme delivering a revised list of projects.
- To fully understand and make allowance for known potential liabilities within the capital programme (for example District Heating and the former Broadmarsh Shopping Centre).
- To create a revised capital strategy which ensures the effective prioritisation of projects and funding supplemented by strengthened programme controls.

- To ensure effective ongoing monitoring of approved capital schemes to highlight and manage unforeseen circumstances in relation to them.
- To ensure that slippage is closely monitored and addressed and that resources are applied in line with the Capital Strategy

Key Deliverables

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

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

Key Activities

The key activities of this work-stream are:

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

Key Risk

- That known commitments and future liabilities outweigh the available level of funding for the capital programme.
- District Heating Scheme infrastructure failure – work has been undertaken to understand the options to mitigate this

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

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

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

Key Activity Completed

The Council has made considerable progress on the management of the Capital Programme. Debt Management and Capital Strategies have been approved and implemented along with a refresh of the Treasury Management Strategy which underlines the links between these pieces of work. A new system of governance is in place through the implementation and operation of Capital Board, which in turn has introduced greater rigour into the monitoring of projects. In addition Capital Board oversees a new risk and priority based bid assessment process for schemes to go through in order to enter the Capital Programme, which is enshrined in the Capital Strategy and links back into the annual budget cycle and the setting of the ongoing MTFP. Work on the Broadmarsh is ongoing with demolition started on part of the site following the receipt of funding from the LEP

Key amendments to the refreshed Together for Nottingham Plan

The first four projects in this theme were front loaded to create new policies and processes, this update has taken the opportunity to consider the effectiveness of their operation, particularly in light of the other Themes and make some amendments to reflect development in these areas. Additional amendments have been made to the Broadmarsh and District Heating projects, where further additions have been made to provide more detail on the process being undertaken.

Actions

Work-Stream	Actions/Milestones	Timescale
Debt Management Strategy	Debt Management Strategy to be approved at Executive Board.	Feb 21 Complete
	Debt Management Strategy to be approved at Full Council.	Mar 21 Complete
	Draft strategy to set out the planned trade-off between debt servicing costs falling on revenue and capital ambition and consequent use of receipts / scale of current ambition over the medium term (to be done as part of the budget setting process)	Nov 22
Capital Strategy	Establish prioritisation approach to selection of schemes.	Jan-2021 Complete
	Update and link treasury management strategy to emerging asset strategy including asset disposals and rationalisation.	Jan-2021 Complete
	Capital and revenue linkages developed through work on corporate plan.	Feb-2021 Complete
	Asset Management strategy and revised TPS by approval at Executive Panel 16th February (including accelerated list of disposals).	Feb-2021 Complete
	Draft Capital Strategy (in line with MTFP).	Mar-2021 Complete
	Final Capital Strategy agreed at Full Council (in line with MTFP).	Mar-2021 Complete
	Regular quarterly review points.	Q3 2021/22 Commenced
Programme Controls	Establish Capital Board to oversee capital programme and scheme approvals as well as funding - ToR's agreed.	Feb-2021 Complete
	Capital Board meets monthly to provide steer and oversight of the programme.	Feb-2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Capital Board to provide quarterly report to the Audit Committee detailing any material impacts on the capital programme. Materiality to be defined in the Capital Board's Terms of Reference.	Q3 2021/22
	Capital Board meeting monthly to review overall programme and funding as well as individual scheme scrutiny prior to Executive Board.	Mar-2021 Complete
	Priorities kept under review within overall affordable and approved resource envelope.	Mar-2021 Complete
	Targets set - monitoring of asset disposals and contribution to capital funding pot.	Mar-2021 Complete
	Regular quarterly review points.	Q3 2021/22 Complete
	Draft revised programme controls (presented to first meeting of Capital Programme Board).	Feb-2021 Complete
	Revised programme controls agreed and implemented.	Feb-2021 Complete
	Regular quarterly review points.	Q3 2021/22 Complete
	Review monitoring process in respect of slippage and ensure that where schemes are delayed or deferred, these are challenged and if necessary re-programmed	Nov 2022
	Consider process for over-programming to allow scheme substitution which existing schemes are not progressing	Nov 2022
	Deliver improvements to capital forecasting on the timing of expenditure within the Capital Programme and its impacts on the levels of slippage reported.	Nov 2022
Review of Capital Schemes	Identify potential alternative sources of funding / methods of removing projects from balance sheet.	Feb-2021 Complete
	Draft Capital Programme (in line with MTFS).	Jan-2021 Complete

Work-Stream	Actions/Milestones	Timescale
	Final Capital Programme agreed at Full Council (in line with MTF5).	Mar-2021 Complete
Review of Capital Schemes (Broadmarsh)	Complete Big Conversation.	Jan-2021 Complete
	Submit Business Case for LEP funding.	Feb-2021 Complete
	Conclude review of strategic options and timeframe for decision making.	Mar-2021 Complete
	Based on the outcome of the review of strategic options for the site the following indicative milestones may be subject to alteration or refinement.	
	Establish budget projections and associated financial risks on holding costs for the Council with mitigation planned.	Q1 2021/22 Complete
	Initial advice from Broadmarsh Advisory Group on design principles and commercial strategy.	Q1 2021/22 Complete
	Contractor demobilisation.	Q1 2021/22 Complete
	Outcome of LEP funding.	Q1 2021/22 Complete
	Full advice from Broadmarsh Advisory Group on creative vision and commercial approach.	Q3 2021/22 Complete
	Outcome of Levelling Up Fund bid	November 2021 Complete
	Broadmarsh Phase 1 Demolition Complete.	Q4 2021/22
	Consider Broadmarsh delivery options	March 2022
	Re-submit Levelling Up Fund Round Two Bid	Spring 2022

Work-Stream	Actions/Milestones	Timescale
		Complete
	Complete due diligence and move towards clean title of the Broadmarsh site	During 2022
	Development of Masterplan and Supplementary Planning Document	Dec 2022
	Complete first stage of Public Realm	Mar 2023
Review of Capital Schemes (District Heating Scheme)	EE 'business' operational review and implementation.	Q4 2022- Q4 2023
	Undertake public consultation on new draft Municipal Waste Strategy.	Q3 2022 Underway
	Negotiate with FCC over the potential for a new commercial deal	Q4 2022 - Q2 2023
	Refresh high level costs for alternative energy sources to DH connected properties	Q4 2022
	Undertake additional feasibility into cost / deliverability of a new heat station	Q4 2022 - Q2 2023
	Formally approve and adopt new Municipal Waste Strategy	Q2 2023
	Executive Board decision to approve new FCC Contract or alternative heating and waste disposal strategy - including allocation of appropriate resources to deliver preferred outcome	Q2 2023
	FCC commercial deal concludes and contractual close (if selected)	Q3 2023
	Market testing for 3rd party investment.	Q3 2023 – Q1 2024
	Modernisation via operational review and implementation	Q3 2023 – Q3 2028
Heat Station and DH Network Design and Planning	Q3 2023 – Q1 2025	

Work-Stream	Actions/Milestones	Timescale
	Heat Station construction and critical DH network upgrade	Q2 202-Q2 2027
	FCC Third Line build and go-live	Q3 2023-Q2 2027
	FCC: NCC Waste and Power Contract ends unless renewed	June 2030

Accountability

Lead Councillor	Leader of the Council, in conjunction with Portfolio Holder for Finance, advised by Capital Board.
Lead Officer	Corporate Director for Growth and City Development (expenditure) and .Corporate Director of Finance and Resources (funding),

Theme Five: Constitution (Governance and Decision Making)

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

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

Governance Improvement Programme

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

Together For Nottingham

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

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

Updated Constitution

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

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

Theme Five: Constitution (Governance and Decision Making)

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

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

In addition, all Members and Officers who sit on company boards have undertaken mandatory company director training to reinforce their roles and responsibilities. This requirement will be ongoing for new appointments who before acting as a company director of a council owned company, will need to have undertaken the relevant training.

Member / Officer Roles & Responsibilities

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

Review of Portfolios

A refreshed portfolio structure that reduces overlap.

A review was undertaken in 2021 and refreshed in 2022 with the aim of supporting the Leader of the Council in the delegation of

executive roles and responsibilities, giving clarity of purpose, avoiding cross over of duties where possible, and avoiding gaps in responsibility.

Member Development Programme

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

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

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

Development of Scrutiny

As part of the early phases of this Theme a report into the Council's scrutiny activity was commissioned by the Council and undertaken by the Centre for Governance and Scrutiny. The report set out a number of recommendations around the Council's scrutiny function and these have been accepted and developed into an action plan. This project will oversee the delivery of this action plan which

Theme Five: Constitution (Governance and Decision Making)

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includes the creation of a Scrutiny Protocol, job descriptions for key scrutiny roles and the provision of further coaching, mentoring and training opportunities. Overview and Scrutiny committee also now has a new chair who is helping to oversee this development work.

Key Objectives

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

Key Deliverables

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

- A new Member / Officer protocol.
- Revised terms of reference for Council Committees.

Together For Nottingham

- A modernised Constitution.
- Committee development programme.
- Review of Portfolios.

Key Activities

The key activities of this work-stream are:

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

Key Risk

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

Theme Five: Constitution (Governance and Decision Making)

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Key Activity Completed

The Council has introduced a Member / Officer Protocol and approved an updated Constitution, which incorporates updated Financial Regulations and Contract Procedure Rules. These are all designed to provide greater clarity over roles and responsibilities and to provide the tools for improved decision making. Now that these documents are approved there will be a period of intensive training and cultural change work undertaken to ensure that their aims become embedded within the business as usual of the Council. There has been a review of portfolios which has seen them become better aligned to the Council's operational structure.

Public Interest Report Sign Off

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

Key amendments to the refreshed Together for Nottingham Plan

The one significant amendment to the original Together for Nottingham Plan in its first refresh was the addition of a new project to deliver the recommendations made by the Centre for Governance and Scrutiny on the Council's scrutiny activity. The second refresh has given the opportunity to further reflect on the need to demonstrate how embedded the change in culture has become in relation to the activities undertaken by this theme and also to pick up some further governance topics under a good Governance project.

The first refresh added further milestones on the existing projects which set out how some of the change secured through the Theme will become embedded within the Council.

Theme Five: Constitution (Governance and Decision Making)

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Actions

Work-Stream	Actions/Milestones	Timescale
Member / Officer Roles and Responsibilities	Adoption of new Member Officer Protocol.	Jan-2021 Complete
	Full Council Approval of new Constitution including Councillor and Officer Articles	September 2021 Complete
	Delivery of mandatory officer training on working in a political environment	Q3 / Q4 2021/2022
	Delivery of councillor training on officer/councillor working relationships	Q3 /Q4 2021/2022
	Review of the effectiveness of the officer/member protocol in terms of decision-making, and creation of action plan to address any shortfalls should any be identified	Nov 2022
Member Development Programme	Committee Development Programme established.	Q2 2021/22 Complete
	Development and delivery of Overview and Scrutiny Development Programme with CfGS (further outlined in the Development of Scrutiny Project)	Q3 / Q4 2021/22
	Development and delivery of detailed Councillor role descriptions/ skills required and training to support the development of these skills	Q3 / Q4 2021/22
	Completion of Year 1 Committee Development Programme Delivery.	Q4 2021/22
	Develop and deliver a Councillor Induction Plan to support new and returning Councillors post May 2023 elections in understanding and applying the principles of good governance, the Constitution, general roles of officers and councillors and their specific roles.	July 2023
Review of Portfolios	Completion of Portfolio Review.	Mar-2021 Complete

Theme Five: Constitution (Governance and Decision Making)

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

Theme Five: Constitution (Governance and Decision Making)

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Work-Stream	Actions/Milestones	Timescale
		Complete
	Development of a new electronic delegated decisions system	TBC
	Review of new Constitution including Executive Delegations	April 2022 Complete
	Second six month review of operation of the Executive Scheme of Delegation in the new Constitution	November 2022
	Review of embeddedness of the new Constitution with action plan developed to address any issues arising from its utilisation	November 2022
Development of Scrutiny	Development of new Scrutiny Protocol	Jan 2022
	Renaming of Health and Adult Social Care Scrutiny Committee	October 2021 Complete
	Scheduling of regular meetings between Committee Chairs and Portfolio Holders to ensure awareness of priorities and where Overview and Scrutiny can add value.	October 2021
	Job descriptions prepared for the roles of Chair, Vice Chair and Committee Members of the scrutiny committees.	December 2021
	Coaching, mentoring and training programmes to be introduced for scrutiny committee members.	January 2022
	Opportunities for re-establishing joint health scrutiny arrangements with Nottinghamshire County Council to share and make best use of available resource to be explored.	May 2022
	Review the impact of the development programme, providing evidence of how the Overview and Scrutiny Committee oversees and monitors the observance of good governance and actions taken to address any weaknesses identified	March 2023

Theme Five: Constitution (Governance and Decision Making)

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Work-Stream	Actions/Milestones	Timescale
Good Governance	Demonstration of the effectiveness of the new processes around embedding the role of the Chief Executive, Section 151 Officer and Monitoring Officer in the practical application of good governance.	October 2022
	Set out the role of Statutory Officers in relation to Council companies	November 2022
	Demonstration of how the Executive Board, Corporate Leadership Team and committees of the Council endorse, support and deliver good governance in the conduct of their business.	November 2022
	Demonstration of how the Council's companies are governed within its overall governance framework, including the management of companies from a fiduciary perspective.	November 2022
	Review the level of officer support for and operation of the Audit Committee to ensure its work programme reflects its terms of reference.	November 2022

Accountability

Lead Councillor	Portfolio Holder for Energy, Environment and Waste Services
Lead Officer	Director of Legal & Governance.

Theme Six: Organisation & Culture

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

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

Setting Top Level Goals

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

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

A clear appraisal process for the Chief Executive will enable a clear cascade of responsibility through the Chief Executive to the rest of the officer structure, which will underpin performance management
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of the whole organisation. The Chief Executive and Corporate Directors will set the example and role model the expected behaviours for all leaders / managers in the organisation. Support and development will be provided to embed effective goal setting throughout the organisation

Simplifying the Officer Structure

To ensure these objectives have clear ownership and can be cascaded effectively, the senior officer structure has been simplified. The Chief Executive has put in place a high level restructure of the organisation to provide greater clarity and focus to the responsibilities of the Corporate Leadership Team. The next steps will ensure that a compliant structure meets NCCs operating model, with implementation of the right behaviours /practices to support change. At the time of the October 2022 refresh these changes were out for consultation with the aim of implementing them if approved before the end of 2022.

Individual Performance Management Appraisals

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

The development of the Council's new PMF is covered in Theme 8, however in order to work effectively links from the Council Plan

have to be made through to both service areas and individual colleagues. This project looks at the development and roll out of a new individual performance appraisal system, which will drive cultural change, service transformation and delivery of the Council's objectives. Good quality, regular performance and development conversations will ensure that expectations are clear and that support and development required to succeed are provided.

Culture & Workforce Development

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

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

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

around collaboration and partnership working feature in our new approach to Individual Performance.

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

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

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

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

The Council has undertaken a colleague opinion survey in the Autumn of 2022 in order to gauge how far these cultural and developmental changes are happening and becoming embedded and will use this to determine if any further activity is required in specific areas to ensure that change is delivered.

Improving Equality, Diversity and Inclusion

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

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

Key objectives

- Establish a clear set of organisational objectives and the mechanisms to hold the Chief Executive to account, and through the Chief Executive to hold senior officers to account for their delivery.
- Ensuring that these objectives can be embedded within the activities of the organisation as a whole through clear and effective lines of accountability.
- Provide officers with clarity of focus and easily understood remits which deliver for the citizens of Nottingham.

- Create a sharper focus on performance for everyone in the Council and set clear expectations for colleagues.
- Celebrate and build on the local knowledge and passion of councillors in advocating for their communities as part of a culture that champions Nottingham and its people.
- Set a new standard for personal responsibility and behaviour, and recast the cultural norms of the whole organisation, including greater clarity on councillor and officer roles and responsibilities.

Key activity

- Revising and simplifying high level officer structure.
- Scoping and commissioning an Officer Development Programme with an initial focus on leading and managing well.
- Accelerated Development Programme targeted at colleagues from under-represented groups and those with protected characteristics.
- Councillor development with a focus on councillor and officer roles and responsibilities.
- Develop a People /Workforce Strategy to resource the organisation through change, attracting, developing and retaining a talented and effective workforce.

Key deliverables

- Top tier officer restructure.

- CEX performance appraisal procedure.
- New approach to Individual Performance Reviews.
- Officer Development Programme specific Accelerated Development Programme.
- Recruitment of a diverse group of 'Change Accelerators' and a collaborative programme with Nottingham Trent University.
- Councillor Development Programme.
- Deliver a People / Workforce Strategy
- See the results of the Accelerated Development Programme in our management structure.

Key Risks

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

Key Activity Completed

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

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

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

Key amendments to the refreshed Together for Nottingham Plan

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

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

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

The second refresh has taken the opportunity to reflect on how changes can be further embedded within the Council, particularly in thinking about how best value, financial management and good governance and decision making become more entrenched in the day to day activity of the Council.

Actions

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

Work-Stream	Actions/Milestones	Timescale
Simplifying the Officer Structure		Complete
	Complete outstanding Corporate Director appointments.	Q1 2021/22 Complete
	Develop principles on which to review phase 2 of the structure	Q1 2021/22 Complete
	Engagement with CLT and Cllrs on principles and approach of working with LGA.	Q1 2021/22 Complete
	Engagement with CLT and LGA (subject to approval) on desk top exercise of areas to begin service reviews.	Q1 2021/22 Complete
	Train colleagues to support the Decision Making Accountability process	Q2 2021/22 Complete
	Undertake structured DMA interviews and conversations with 17 Divisions across the Council	Q1 to Q4 2021/22 Complete
	Provide structured DMA report, including themes and recommendations for each area	Q2 to Q4 2021/22 Complete
	Informal and formal consultation on phase 2 of senior structure of the Council restructure. To take place across whole Council.	Q3 to Q4 2021/22 and Q1 2022/23
	ACOS report 2 on Director HOS structure .	Q4 2021/22 Complete
	Provide structured DMA report, including themes and recommendations for each area. Proposed recommendations to go to CLT, ACOS and/or collective consultation as appropriate.	Q2 to Q4 2021/22 Complete
Complete consultation on new senior management structure	Oct 2022	

Work-Stream	Actions/Milestones	Timescale
	Implement new senior management structure including provision of new job descriptions setting out revised accountabilities and behaviours.	Nov 2022
	Fill any vacant senior management posts arising from the restructure	Mar 2023
Individual Performance Management Appraisals	Cascade CEX targets to Corporate Directors.	Q2 2021/22 Complete
	Design and deliver new approach to Individual Performance Reviews.	Q2 2021/22 Complete
	Design guidance and toolkit to support the embedding of the new individual performance appraisals for SLMG colleagues	Q1 2021/22 Complete
	Embed the new approach to Individual Performance Reviews (IPR) with SLMG colleagues	Q2- Q4 2021/22
	Measure and report on IPR completions and quality for SLMG colleagues - refine process as required	Q1 2021/22
	Design approach to IPR and roll out plan for non-SLMG colleagues, including engagement/consultation with all stakeholders	Q2/Q3 2021/22 Complete
	Design guidance and toolkit to support the embedding of the new individual performance appraisals for non-SLMG colleagues	Q3 /Q4 2021/2022 Complete
	Engage with all leaders/managers on new approach to IPR and set expectations	Q3 / Q4 2021/2022 Complete
	Engage with all colleagues (comms/engagement plan) re: new approach to IPR – briefings, support, training	Q4 2021/2022 Complete
	Deliver/launch new approach to IPR for non SLMG roles	Q1 2022/2023 Complete

Work-Stream	Actions/Milestones	Timescale
	Embed the new approach to IPR with non-SLMG colleagues	Q2 / Q4 2022/2023
	Measure and report on IPR completions and quality for non-SLMG colleagues - refine process as required	Q1 2023/2024
Culture & Workforce Development	Develop and agree Leadership Capability Framework (LCF).	Feb-2021 Complete
	Culture mapping - Senior Leadership.	Feb-2021 Complete
	Attend CLT – Re: Initial findings from Culture Mapping (SLMG and Exec)	Feb -2021 Complete
	Undertake Culture Mapping exercise (survey and focus groups) with non-SLMG colleagues	Mar-2021 Complete
	Attend Senior Leadership Forum – update on culture-mapping and share new behavioural expectations	Mar -2021 Complete
	Design/create comms and engagement plan for TfN, including creation of Team Brief cascade process and dynamic forward plan of messaging	Q1 to Q4 2021/2022
	CLT session to agree, values and future culture message map and vision.	Mar-2021 Complete
	Design and deliver comms and engagement activities to share findings of culture mapping (current state), change narrative and future desired state	Q1 to Q4 2021/22 Complete
	Create long change narrative, short narrative and strapline to be woven through all comms/engagement activity, including new branding for RIP (in partnership with Transformation Office)	Q3 to Q4 2021/2022 Complete
	Seek LGA resources to fund a coaching (coaching for performance) programme for Corporate Directors / CLT. CEX to determine the remit and use to support cascading of targets.	Q1 to Q4 2021/22

Work-Stream	Actions/Milestones	Timescale
	Develop Leadership Capability framework including competencies and new behavioural expectations for Directors and SLMG roles.	Q2 2021/22 Complete
	Design and commence delivery of leadership development programme to help embed leadership framework and new behavioural expectations (SLMG and T4 Managers)	Q3 – Q4 2021/2022 Complete
	Design and deliver and/or commission a range of development activity for councillors	Q1 – Q4 2022/2023
	Further develop Leadership Capability Framework including competencies and new behavioural expectations for non-SLMG colleagues, including consultation/engagement with all stakeholders	Q2 – Q3 2022/2023 Complete
	Seek LGA resources to procure and fund an Accelerated Development Programme (ADP) for people with protected characteristics, to support NCC EDI ambitions.	Q3 2021/22 Complete
	Evaluate, refine and deliver more cohorts for ADP as appropriate (Non SLMG)	Q1 / Q2 2022/2023
	LGA to facilitate an external review of HR practice re EDI focussed on recruitment/selection/progression	Q3 2021/2022
	Specification for commissioned elements of the EDI programme refined/complete and put out to potential providers.	Q3 2021/2022 Complete
	Develop branding, communications and application process ready for launch.	Q3 2021/2022 Complete
	Begin ADP identification and recruitment process (in-house)	Q3 2021/2022 Complete
	ADP - first cohort to be begin – delivery of interventions	Q4 2021/2022 Complete
	Evaluate, refine and deliver more ADP cohorts as appropriate	Q1 to Q2 2022/2023

Work-Stream	Actions/Milestones	Timescale
	Completion of Leading and Managing Together Programme	Oct 2022
	Completion of Future Ways of Working Programme	Nov 2022
	Roll out of further colleague development activity to support Best Value promotion – for example by further finance and contract management courses.	Jan 2023
	Develop and roll out specific training module on Best Value for colleagues	Mar 2023
	Review and update existing training modules to ensure that Best Value runs throughout their delivery as a central theme.	Mar 2023
	Implement recruitment strategies as part of the ongoing development of the workforce to ensure that permanent staff are recruited into areas currently occupied via interim appointments	Mar 2023
	Completion of service re-design diagnostics for relevant service areas	Mar 2023
	Implementation of service re-design to support cultural change	Mar 2024

Accountability

Lead Councillors	Portfolio Holder for Housing and Human Resources and Portfolio Holder for Children, Young People and Schools.
Lead Officer	Chief Executive, with Director for HR, Equality, Diversity and Inclusion

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

In March 2020 we began to operate in the context of a global pandemic. The impact this has had on the way the council operates gave a new impetus to rethinking the way services are designed and delivered, and we are taking this refreshed Together for Nottingham as an opportunity to do so again. Our aspirations across delivery options are not new. We are in the process of reviewing services in order to effectively prioritise, personalise, simplify and rationalise delivery.

Over the last nine months, since the revised Together for Nottingham Plan was published, we have begun the implementation of substantial transformation programmes in some of our largest services and also across a number of areas of council activity that touch all our residents.

We have learned a lot about how to make positive change to both outcomes and costs in a tight budget environment and, now that local government is facing an even more challenging financial situation, we need to apply that learning to go further and faster. It is also clear to us that the scope of this area of the Plan needs to be widened, and encompass the following:

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- The Council's relationships with residents and customers
- The design and commissioning of the Council's services
- The enabling and support services that make this possible
- The council's administrative office estate
- The technology we require
- The leadership, workforce and culture of the council

Prioritisation and personalisation

We have been clear from the outset that we must help communities become more resilient, by targeting our support where we can make the biggest difference and helping people help themselves where they want and are able to. This means making it easier to access support using web-based information and advice;

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

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understanding a person's wider needs; joining up our support; and starting from a position of looking at what people can do rather than what they can't.

We want to create a route for people where everything is addressed together. A place where we have the right things in place to allow those who can to self-serve so we can focus on those who need more help - to ensure we can target our support to our most vulnerable residents and those that are the most in need.

Considerable progress has been made on developing a unified Front Door approach to our services, through redeveloping our ICT infrastructure and technology, and developing consistent customer service and business support processes across the organisation.

Through the successes and learning from the current transformation programmes in delivery, it is recognised that for the Council to accelerate and take change to the next level, drawing distinctions between 'business as usual' service change and transformational change, limits our opportunities. Therefore, the focus of the next wave of transformation projects will take a more holistic, systems view to enable end-to-end transformational change. As many of our services work inter-dependently, to enable this more 'complex service redesign', we have formed suitable groupings around key themes including but not limited to, early intervention and prevention, our place, our environment, our people. . Currently, our order of priority for the next wave of transformation projects is:

- Adult social care – focusing on prevention

- Homelessness and housing – focusing on prevention
- Integrated environmental services
- Community safety and our regulatory services
- Parking
- Planning
- Transport and highways
- Education, particularly SEND (Special Education Needs & Disability)
- Neighbourhoods

The continued focus on a series of 'enabling programmes' of work will support us in delivering across these themes of change. These include:

- A Digital/IT Strategy
- Strategic Commissioning and Procurement functions
- A Corporate Landlord Strategy
- A Workforce Strategy

Simplification and rationalisation

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

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We must reduce the variation in how we do things inside the council by simplifying processes and automating wherever feasible. To free up resource to do the highest value-adding work, we are in the process of rationalising onto a few core systems and developing new automation capability within the Council.

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

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

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

- We are proactive about performance management, using data to measure and interrogate the performance of services
- We will be a smaller and more streamlined organisation.

Key Objectives

- To maximise our ability to achieve our priority outcomes by increasing the efficiency of service delivery.
- To rationalise and simplify our modes of delivery and influence under a coherent strategy.
- To rationalise our accommodation/premises offer in line with reduced demand post-COVID and New Ways of Working
- To build on existing core capacity and capabilities in those areas where we excel.
- To develop our staff and equip them with the skills to drive transformation projects
- To reduce the administrative overheads associated with complex and inconsistent delivery methods.
- To make the most of the digital tools at our disposal to make it easier for citizens to transact with the Council, promote a viable self-serve model and reduce duplication.
- To maximise residents' capacity to support themselves and their communities.

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Key Deliverables

- The outputs that will be delivered through this work stream will be:
- Continuation of delivery of financial benefits associated with existing business cases and in-flight transformation programmes
- New wave of business cases for service transformation using our 'complex service redesign' approach
- Execution of new complex service redesign delivery plans
- Launch of the design phase of the Children's Transformation programme and delivery of the Improvement Plan to support the reconfiguration of the provision of Children's Services having particular regard to the findings contained in the Ofsted report
- Second cohort of Change Academy recruitment
- New resourcing strategy for the Council, which integrates the Workforce and Culture workstreams
- Launch of the 'automation factory'
- A new Digital / IT Strategy
- New operating models for Commissioning and Procurement

Key Activities

The key activities of this work-stream are:

- Acceleration of existing in-flight transformation programmes
- Creation of a service transformation guide to enable service groupings to review end-to-end processes and delivery methods
- A series of Service Redesign Reviews to establish next wave of transformation business cases
- Assessment of in-house skills to deliver change and create the tools required to widen the network of change agents
- Launch of second cohort of change academy recruitment

Further development and embedding of the benefits management framework in all transformation programmes

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Key Risk

- Data availability and quality for comparative analysis.
- Management of interdependencies across the transformation portfolio
- Change resistance and lack of service engagement
- Pace of change / change fatigue
- Lack of capacity of change resources
- Lack of investment in skills / capabilities to deliver change
- Reliance on the 'enabling programmes' to support Council-wide change

Actions

Work-Stream	Actions/Milestones	Timescale
Business Case Approval	Wave One Project Business Cases approved	November 2021 Complete
	Wave Two Project Business Cases approved	February 2022 Complete
	Wave 3 Business Case development and approval on priority service groupings (Complex Service Redesign) to feed into MTFP	December 2022
Implementation	Wave One Projects initiated	January 2022 Complete
	Wave Two Projects initiated	March 2022 Complete
	Wave 3 'Complex Service Redesign' delivery plans initiated	March 2023
	Embedding of Benefits Management Framework in existing and new transformation programmes	December 2022
	Creation of new Strategic Commissioning Function and enhanced Procurement Function	March 2023
	Creation of new Digital/IT Strategy	March 2023

Work-Stream	Actions/Milestones	Timescale
	Launch of the design phase of the Children's Transformation programme and delivery of the Improvement Plan to reconfigure Children's Services	October 2022
Resourcing	Transformation resourcing plan approved	November 2021 Complete
	Transformation resourcing plan refresh	November 2022
Capability Building	Workforce transformation development plans in place	February 2022 Complete
	Creation of automation factory	November 2022
	Creation of Change Network across the Council	November 2022
	Development of digital talent pipeline programme with Universities	December 2022
	Recruit, train and deploy cohort two of the Change Academy	March 2023
Transformation Plan Review	Review of Transformation Plan	March 2022 Complete
	Creation of monthly Implementation Review meetings	December 2022

Accountability

Lead Councillors	Portfolio Holder for Skills, Growth and Economic Development, and Portfolio Holder for Finance
Lead Officer	Chief Executive in conjunction with Director for Strategy, Performance, Marketing and Comms

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Theme Eight: Council Plan

The Strategic Council Plan 2021-23 sets out the vision for improving our great city while keeping citizens at the heart of everything we do. It is about the future of our city for all who live, work, study, invest and visit here, and is rooted in straightforward values of fairness, inclusivity and equality.

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

The current Strategic Council Plan reaffirms our vision, taking full account of the Council's absolute commitment to equality, diversity and inclusion.

The current Strategic Council Plan Includes:

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

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Developing the Strategic Council Plan 2023/24 – 2026/27

The current Strategic Council Plan expires at the end of March 2023, and a new Strategic Council Plan will be needed for the period 2023/4 to 2026/7.

Development of the new Plan will commence in January 2023, with a draft Strategic Council Plan being prepared for consultation with the Executive. This draft will be based on our key statutory responsibilities and our ongoing strategic delivery, which includes capital projects, transformation and other significant grant-funded work.

The new Plan will be submitted for Full Council on the 21st February and the Strategic Council Plan will be signed off at Full Council on the 6th March, along with the MTFP and Budget.

Our 11 outcomes as defined in the 2021-23 Strategic Council Plan have not changed, and we propose to roll these forward to the new Strategic Council Plan 2023-2027. The new Plan will have a greater focus on the key statutory work of the Council. It will also roll forward strategic project work where projects are funded while ensuring delivery remains within the MTFP envelope.

In addition, further details of what and how we will deliver will be set out in the revised MTFP Delivery Plan in 2023.

Performance Management Framework

An effective Performance Management Framework (PMF) and clear accountability good governance are integral to the successful delivery of the Strategic Council Plan and our priorities,

The Performance Management Framework (PMF) has been agreed and implemented. To develop the PMF further, we will ensure that all the activity in Divisional Plans is appropriately performance managed on a monthly basis in the newly established Performance Clinics. Where adverse performance is reported at the clinics, this will be escalated by exception to the relevant DLTs. We intend to develop performance dashboards that will give greater line of sight on performance at all levels of the organisation.

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

Policy Framework

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

A central repository has recently been developed and has been tested with senior officers from across the Council, this policy library will enable us to better track any policies or strategies which become out of date or otherwise require our attention.

The Council's Corporate Leadership Team reviews the policy framework on an ongoing basis. Where any gaps become apparent, officers lead on framing discussions with members.

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The new policy framework, of which this document is part, sets out how the Council will prioritise its efforts and resources and how we would wish to see our partners do likewise. It will enable clearer decisions to be made with less hesitation.

A working definition of policy, strategy and action plans has been developed to help embed the Councillor/Officer Protocol. This work also explains which strategic documents should sit within the Council's overall policy framework.

Key Objectives:

- The refreshed Strategic Council Plan sets out the operating context for the Council, the high-level needs in the city, and our vision for Nottingham, clearly articulating our role in delivering on that. A new Strategic Council Plan will be agreed in March 2023.
- The new policy framework and refreshed Strategic Council Plan 2021-23 includes all of the Council's activities to ensure that our whole organisation's performance is visible and managed through the governance and accountability frameworks.
- We have established high-level outcomes, with a series of detailed measures under each outcome, so that service activity/outputs are clear, and services are accountable for their contribution to our overall strategic goals.
- We will build on work done to enable performance management at all levels. Since the last iteration of this Plan was published, we have established and embedded a "golden thread" that runs from the overall strategic aims and

objectives at the top of the organisation, and the outcomes of the refreshed Council Plan, down to Divisional and Service plans and individual colleague appraisal objectives. This will ensure that operational performance and risk has a line of sight to the overall reporting of performance, as well as further embedding a culture of clear accountability for the delivery of activities in the plan.

- A strong link is being established to financial performance, corporate risk and our workforce and corporate health via our Divisional Performance Clinics. In this way the PMF can enable us to look at performance in association with financial, risk and workforce plans.
- We will be clear to citizens, businesses and stakeholders about what our priorities are and where our resources are directed.
- We will continue to explain the governance and accountability mechanisms to ensure the delivery of the plan and to enable citizens to hold us to account.

Key activity

- Continue to develop the Performance Management Framework to ensure it remains relevant and reflects current priorities and statutory duties.
- Embed new reporting processes to ensure the effective corporate management of performance.
- Develop a refreshed Strategic Council Plan for 2023 onwards that includes:

- The vision and operating context of the Council.
- New commitments to be added post-election and the Plan to be reconciled with the MTFP .
- Reflection of key Statutory responsibilities/activity and strategic projects (organised around key outcomes).
- Details of the transformation activities to put the Council onto a sustainable footing.
- Details of the governance and accountability framework.
- A statement about our current financial position and how it impacts the above.
- Ensuring all key policy and strategic plans are current or are being refreshed.
- Creating clear guidance on producing policies and strategies.
- Defining policy, strategy, and action plans to better embed the Councillor/Officer Protocol and set out what strategic documents sit within the policy framework.
- Maintaining the City Council's strategic document repository and ensuring it remains up to date.

Key Deliverables

- A new Strategic Council Plan for 2023 onwards.
- Maintain the new policy framework for the City Council.

- An up to date, evolving Performance Management Framework, which is reviewed to ensure it remains current and relevant,

Key Risks

- The new Strategic Council Plan and new policy framework failing to sufficiently take account of both the needs of citizens and businesses in Nottingham, and the views of the Improvement and Assurance Board.
- Concerns raised in the context of any departure from the existing policy framework.
- Failure to use the PMF effectively within the decision-making framework – in other words introduction of new activities without consideration of priorities, statutory duties and the available budget.
- Failure to provide the resources specified within this plan to ensure the PMF can be successfully delivered, resulting in incomplete, inaccurate and failing performance management.

Key Activity Completed

Theme 8 has already delivered a refreshed corporate plan for the City Council: the Strategic Council Plan 2021-23.

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

Together For Nottingham

The 2019-23 Council Plan was made up of a range of activity and commitments. It was a mix of high-level indicators, performance measures and actions. The revised Strategic Council Plan for 2021-23 was drafted to reflect the City Council's budgetary position over the short and medium term.

When developing the refreshed 2021-2023 Strategic Council Plan, we reviewed the commitments in the 2019-23 Plan against the funding and resources available. We confirmed and agreed our high-level outcomes for the refreshed plan and included the Council's statutory and transformation activity that supports those outcomes. The refreshed Plan provides greater focus on the core and statutory services and activities the Council needs to provide to support our local people, places and partners. As the Council starts to prepare for the 2023 local elections, we will continue to use the refreshed Strategic Council Plan to deliver the outcomes we have agreed for the life of the Plan.

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

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

A comprehensive Performance Management Framework has been put in place to underpin delivery of the plan, and provide the Improvement and Assurance Board, Corporate Leadership Team,

the Executive, the public, partners and stakeholders with the necessary assurance that performance management is being undertaken by the authority in a rigorous and transparent way. This includes appropriate oversight and reporting of the performance of the organisation being in place.

The Strategic Council Plan 2021-23 was formally adopted as Council policy at Full Council on 13th September 2021.

We have developed a new Performance Management Framework, and populated our corporate performance management system, Pentana, with our targets, commitments and indicators. Officers are responsible for keeping these metrics up to date, in line with the reporting timeframes we have agreed.

We have introduced a cycle of performance reporting to members and officers. These sessions include monthly updates to Directors and Heads of Service, and quarterly updates to DLTs, CLT and the Executive. This cycle of reporting ensures that performance is managed in a timely and effective manner, providing opportunities for appropriate challenge and for issues to be identified and addressed.

More recently, a series of monthly Divisional performance clinics have been introduced, providing a platform upon which performance against budgets, risk management, projects, Critical Indicators and other metrics can be managed and challenged within directorates.

Key amendments to the refreshed Together for Nottingham Plan

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

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

The current Strategic Council Plan covers the period from 13th September 2021 up to 31st March 2023.

Local elections are expected to take place in Nottingham in May 2023, the 2023-27 Strategic Council Plan will be agreed in March 2023. This will be updated following the election of a ruling group for the City Council.

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

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

- January 2023 – First draft developed of the new Strategic Council Plan based on key statutory and ongoing delivery of key strategic projects (including capital, transformation and grant funded work)

- February 2023 – second draft of new Strategic Council Plan developed. SCP papers submitted for March Full Council.
- March 2023 – Strategic Council Plan signed off at Full Council alongside MTFP and Budget.
- May 2023 – Local election held.
- June – September 2023 – a further development of the new Strategic Council Plan and performance framework developed, including consultation and agreement/sign off with Corporate Leadership Team and elected political leadership.
- October 2023 – Consultation with employees, public and key partners/stakeholders
- November 2023 – new Strategic Council Plan endorsed at Executive Board.
- November 2023 – new Strategic Council Plan formally adopted as Council policy at Full Council.

Actions

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

	Defining policy, strategy, and action plans to better embed the officer / member protocol and set out what strategic documents sit within the policy framework	Nov-21 Complete
	Service planning process to be carried out for 2022/23 to ensure deliverability of the final year of the plan and linked to the budget/MTFP process (and MTFP delivery plan (Theme One))	Feb-2022 Complete
	Development of the Policy Framework bringing together all the City Council's strategic documents in to a central repository and identifying any that are out of date	Q1 2022/23 Complete
	Establish and hold a monthly Implementation Review meeting to bring together performance on all council change activity; identifying and resolving inconsistencies and conflicts. This Implementation Review will be aligned to the 2023 Strategic Service Plan and the new MTFP	Q4 2022/23
	Conduct Service Redesign Reviews, to review service bundles based on thematic areas, using an appropriate service transformation methodology	Q3 2022/23
Performance Management Framework	Internal review of approach to creating new Performance Management Framework.	Jan-2021 Complete
	Core Group comments on and agrees work stream's recommended approach to creating a new PMF and Council Plan.	Jan-2021 Complete
	Engagement: <ul style="list-style-type: none"> • Agree methodology at CLT and nomination of lead officer(s) for each department. • Agree methodology with Leadership. • Agree methodology with Executive Councillors. • DLUHC Improvement and Assurance Board comment on proposals. 	Feb-2021 Complete
	Departments (through agreed Departmental Lead) to establish representative sample of statutory indicators.	Feb-2021 Complete
	Departmental leads to seek sign-off/approval of indicators via PFHs.	Feb-2021 Complete

	Draft Performance Management Framework developed on Statutory Indicators, plus retained elements of the existing CP.	Mar-2021 Complete
	Engagement: <ul style="list-style-type: none"> • CLT comment on and agree draft PMF. • Leadership comment on and agree draft PMF. 	Mar-2021 Complete
	Portfolio Holders sign-off the PMF (outcomes, priorities and outputs) that directorates have developed and will target for delivery. Portfolio Holders review and comment on the new Plan and agree the impact on their portfolio.	Apr-2021 Complete
	Consult Improvement and Assurance Board on PMF.	Apr-2021 Complete
	Performance Management Framework and Strategic Council Plan formally adopted at Full Council.	Sept- 2021 Complete
	Operationalise the PMF (with initial focus on SCP and Critical Indicators) including: <ul style="list-style-type: none"> • Defining baselines, targets (where applicable), accountable officers, frequency of data availability, source etc • Build new structure in Pentana • Establish data feeds (automated where possible) • Develop reporting dashboards • Initiate corporate quarterly reporting to CLT, Leadership, Portfolio Holders and Executive Panel 	January 2022 Partially complete – new reporting system still being explored, including automated dashboards

	<p>Establish consistent approach to monthly Directorate Performance Clinics including:</p> <ul style="list-style-type: none"> • Terms of reference and other monthly documentation • Standard agendas and other monthly documentation • A focus on performance, risk and budget • Performance and risk management of the MTFP Delivery Plan 	<p>April 2022 Complete – meeting cycle now underway</p>
	<p>Recommence reporting of performance to Overview and Scrutiny</p>	<p>September 2022 Complete</p>

Accountability

Lead Councillors	Portfolio Holder for Energy, Environment and Waste Services and Portfolio Holder for Highways, Transport and Parks
Lead Officer	Chief Executive in conjunction with Director for Strategy, Performance, Marketing and Comms

Further Reviews

Introduction

Since the last refresh of the Together for Nottingham Plan, published in January 2022, the full outcome of reviews into two further areas of the Council, Children’s Services and the Housing Revenue Account, have become known, along with their implications and action plans to resolve the issues raised. Due to the importance of these reviews and the subsequent actions that the Council has committed to in relation to them it is appropriate that they are added into the Together for Nottingham Plan as part of the October 2022 refresh.

Ofsted

In July 2022 Ofsted, the regulatory body for Children’s Services, undertook a full inspection of Children’s Services at Nottingham City Council.

The findings of that review are summarised in the table below:

Judgement	Grade
The impact of leaders on social work practice with children and families	Requires improvement to be good
The experience and progress of children who need help and protection	Inadequate
The experiences and progress of children in care and care leavers	Requires improvement to be good
Overall effectiveness	Inadequate (limited by the grading within the domain of

Judgement	Grade
	children in need of help and protection)

The report was published on 5th September 2022 and taken to the Council’s Executive Board later that month for consideration, confirmation of the Council’s commitment to improving Nottingham’s Children’s Services and noting of the actions taken since the inspection and next steps.

The Council had already started to improve its Children’s Services function prior to the inspection, led by a new senior leadership team. The inspectors did note that this team had a sound understanding of the challenges that it faces and that it had already delivered some improvements and positive culture shifts.

Children’s Services had also been identified as part of the Council’s wider transformation programme with work already having started to review the service and deliver a business case for change within it.

The Council will be issuing a formal Improvement Plan with regards to the findings of the Ofsted report within 70 days of the report’s publication (which is a requirement on the Council). That Improvement Plan will be considered alongside the transformation activity already planned for Children’s Services to ensure one coherent change and improvement programme for the service which is being delivered through Theme Seven of the Together for Nottingham Plan.

Taken together this will ensure that the Council delivers on its statutory requirements with regards to Children’s Services and need to secure timely improvement to meet regulatory specifications and to meet the needs of children, in a way that is consistent with the Council’s wider transformation agenda, underpinned by the need to deliver and demonstrate a ‘Best Value’ culture across the Council’s services. Actions relating to this Transformation are set out in Theme Seven of this Plan.

Housing Revenue Account

Background

In late summer 2021 the Council's Section 151 Officer became concerned around how elements of Housing Revenue Account (HRA) funding were being utilised by both Nottingham City Homes, the Council's arms-length management organisation for housing and the Council's General Fund.

This led to the Council commissioning CIPFA to investigate the matter and their findings ultimately led to the Council's Section 151 Officer issuing a report under Section 114 (2) of the Local Government Finance Act 1988 in December 2021. This was accompanied by a further report from the Council's Monitoring Officer under Section 5 of the Local Government and Housing Act 1989. Full Council considered these notices at an Extraordinary Council meeting on the 4th January 2022 and accepted their recommendations in full.

In addition to the CIPFA report the Council also commissioned an investigation by Richard Penn to understand how the situation had arisen and to make recommendations as to how a similar situation could be avoided in future. The findings of this investigation along with an updated CIPFA report were considered alongside a number of recommendations at the Council's Executive Board in April 2022. The report contained 12 recommendations which are listed below, all of which were accepted.

“Recommendations

- 1. To receive and note the Key Findings Report from Richard Penn following his independent investigation*
- 2. To receive and note the further work undertaken by CIPFA (including appendices relating to workstreams A and B).*
- 3. To note that the current organisational arrangements between the NCC and NCH do not provide officers sufficient assurance that the HRA ring fence can be adequately protected under existing arrangements, and in turn councillors have been unable to gain the required level of assurance in relation to the HRA ring fence.*

- 4. To authorise the Corporate Director of Finance and Resources and Section 151 Officer, following the receipt of further work from CIPFA outlined in this report, to seek a Ministerial Direction from government to repay in aggregate up to £40 million from the General Fund to the HRA (subject to any mitigations to reduce this sum).*

- 5. To note the options and key lines of enquiry for funding the rectification of the breach to the HRA ring fence and to note that there will be an impact on the 2022/23 – 2025/26 MTFP which will be reported to Executive Board and/or Full Council in due course.*

- 6. To approve, the serving of a 12 months' Notice to Terminate on NCH in respect of its housing functions and to take over direct management of council housing from the expiry of that notice period or sooner by agreement.*

- 7. To note that should the recommendations of this report be accepted, there will be engagement with tenants and leaseholders to ensure a smooth transition and continuity of service about ongoing service provision. This will include how the voice of tenants will be heard by NCC as the landlord after the service is brought under direct control.*

- 8. To authorise the Corporate Director of Growth and City Development to take such steps as may be necessary to deliver an effective transfer of housing management functions back to the Council, in consultation with the Portfolio Holder for Housing, Corporate Director of Finance and Resources and Section 151 Officer and Director of Legal and Governance and Monitoring Officer. This to include, amongst other things, arrangements for the protection of employment rights for NCH staff through TUPE transfer, arrangements for effective tenant and leaseholder engagement and empowerment in the decision making about services, and the transfer of relevant third party contracts and any other relevant arrangements as may be necessary to support an effective transition.*

9. *To authorise the Corporate Director of Growth and City Development to take such steps as may be necessary to affect such short term and practical arrangements in relation to the governance arrangements of NCH to facilitate an effective transition, in consultation with the Portfolio Holder for Housing, Corporate Director for Finance and Resources and Section 151 Officer, the Corporate Director of Resident Services (in their capacity as the shareholder representative for NCH) and Director for Legal and Governance and Monitoring Officer, including positive liaison with the NCH Board and effecting any changes that may be necessary to the Articles of Association of NCH and Board appointments.*

10. *To delegate to the Corporate Director of Growth and City Development a provisional budget of £750,000 to deliver on the above recommendations from HRA funds, as a proper use of those funds, in consultation with the Portfolio Holder for Housing, Corporate Director for Finance and Resources and Section 151 Officer and Director for Legal and Governance and Monitoring Officer.*

11. *To note that a report is brought back to Executive Board and subsequently to Full Council to identify arrangements for a greater level of councillor engagement in overview and scrutiny arrangements for policy development, priority setting and holding to account for performance in relation to housing management matters, following the return of management of the council's housing stock to the council.*

12. *To note that the Overview and Scrutiny Committee will receive update reports to enable the implementation plan and consultation arrangements to be reviewed during the transition through the Council's scrutiny arrangements."*

A significant amount of work is underway to deliver these recommendations and this is summarised, through division into three project areas, through the actions shown in the Actions table below.

Actions

Work-Stream	Actions/Milestones	Timescale
Finance and Governance	Respond to and accommodate as appropriate the CIPFA and Penn reports in respect of the Housing Revenue Account	April 2022 Complete
	Complete the required funding of the misappropriation of Housing Revenue Account Funding	NCC – July 2022 Complete
		NCH March 2023
	Provide evidence that no other such failings have occurred following thorough investigation	March 2023
	Agree accounting position and processes of NCH subsidiaries	Complete
	Agree plan with NCH for future of subsidiaries	November 2022
	Complete work relating to subsidiaries	Summer 2023
	Receive ministerial direction for the use of General Fund monies to cover amounts owed to the Housing Revenue Account	Complete
	Ensure appropriate levels of internal control are in place to reduce the risk of similar occurrences happening in future.	Summer 2023
	Executive Board and Full Council reports on arrangements for greater level of councillor engagement in overview and scrutiny arrangements for policy development, priority setting and holding to account for performance in relation to housing management matter, following the return of management of the Council's housing stock to the Council.	System in place by March 2023

Bring NCH Back In House	Completion of contract due diligence	December 2022
	Tenant Engagement	Oct 2022
	Completion of TUPE	Mar 2023
	Finance Migration	April 2023
Development of appropriate in house housing management structure	Appoint a permanent Director of Housing	March 2023
	Complete permanent recruitment to Finance posts	Spring 2023

Glossary of terms

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

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

Index of High Level Deliverables

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
Assurance	<p>Improvement Board established The Board will be in place to challenge, support and improve performance, with the first meeting in January, to agree a commentary on the Council's recovery plan when it is submitted to the Secretary of State, and a forward plan of work to support quarterly evidenced based progress reports.</p>	December 2020		3
Assurance	<p>A three-year recovery plan submitted to the Secretary of State With actions, milestones and accountabilities to restore the financial viability of the Council's capital programme and revenue budget.</p>	January 2021		
Finance	<p>A robust three-year medium-term financial plan With actions to end the reliance on annual budget setting and a plan to restore financial resilience, including through long term cost reduction and building reserves (targets should be included for capital receipts).</p>	January 2021	MTFS	27
Finance	<p>A robust draft budget for 2021/22 With a clearly identified funding gap/ask and evidence of significant measures already included to close that gap, including asset disposals.</p>	February 2021	MTFS	27
Finance	<p>A detailed savings plan Including a schedule of who is responsible for each identified saving, an implementation plan, and a description of the process the council will put in place for generating further savings (star chamber model).</p>	January 2021	MTFS	27

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
Finance	<p>Updated Council Plan To update the council's policy framework and revise its operating model to show clearly that the council can meet its statutory requirements; and that delivery plans have regard to its medium-term financial strategy.</p>	June 2021	Council Plan	88
Finance	<p>A detailed asset disposal strategy Including a review of capital assets and a disposal plan. This will include a detailed plan to deliver a very significant increase in capital receipts, for both General Fund and Housing purposes, to fund existing schemes and to fund or co-fund a capitalisation Direction. It will also detail assets or commercial ventures which should be exited, owing to a lack of expertise or rationale for remaining involved. In both cases, the plans will need a clear timetable.</p>	April 2021	Assets	37
Finance	<p>Debt Management Strategy This should reflect an annual step down in external borrowing and include a commitment to quarterly returns on asset disposals.</p>		Capital Programme	53
Governance	<p>Council adopts an updated constitution To clearly define roles and responsibilities of members and officers, the framework within which they operate, decision-making processes, performance management and procedures within the Council.</p>	June 2021	Constitution (Governance and Decision Making)	62
	<p>Reducing or eliminating overlap in Cabinet portfolios, with one Member with specific responsibility for performance and citizen experience.</p>	June 2021	Constitution (Governance and Decision Making)	63
	<p>Identifying specific skill requirements, training and development needs, as well as potential conflict of interest issues, for Councillors appointed to statutory Committees including Planning, Licensing, Appeals and Audit and Scrutiny, and also to Company Boards, including appointments to Non-Executive Company Chair roles.</p>	June 2021	Constitution (Governance and Decision Making)	63

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
	A revised Member Officer protocol clarifying roles and responsibilities as between members and officers.	June 2021	Constitution (Governance and Decision Making)	63
	A simplified officer structure incorporating a new senior leadership structure with sufficient seniority for strategic financial management (the S151 officer and the Monitoring Officer to report directly to the CE). This structure must ensure that Statutory Officers have effective control and/or oversight of the professional functions that provide advice to the Council. The Chief Executive to ensure sufficient permanent and interim management capacity in place to drive recovery plan at pace	June 2021	Organisation and Culture	70
	Implementing the procedure outlined in the Joint Negotiating Committee for Chief Executives, publishing the targets and performance measures agreed and cascading these into the direct reports and to the bottom of the officer structure, with appropriate mechanisms for the Chief Executive to hold officers to account	June 2021	Organisation and Culture	70
	Identify and initiate workforce development and cultural change programme for senior officers	June 2021	Organisation and Culture	71
	Adopting a standard model of delivery or using the benefits of corporate purchasing.	June 2021	Service Design and Delivery (formerly Delivery Options)	82

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
	Clarity on the role of the Audit Committee and adopting relevant Redmond recommendations	June 2021	Constitution (Governance and Decision Making)	62
	Reforming the working practices of the Overview and Scrutiny Committee so it aligns with best practice.	June 2021	Constitution (Governance and Decision Making)	63
Commercial	Assessment of the Council's group of companies Include an assessment of which would be unlawful to bring back in-house, and a VfM assessment of current company ownership arrangements vs managed exits, with the aim of reducing risk, cost and avoiding unnecessary duplication. The conclusions should be integrated within the medium-term financial planning.	January 2021	Companies	44
Commercial	Decisions on each company Decisions on the future status of each company within the Council's group of companies, including careful sequencing and prioritisation of these decisions.	Outline Jan 2021, final plan June 2021	Companies	44
Commercial	Decisions relating to Enviroenergy Council to urgently review and determine the future of their district heating scheme, linked to the incinerator investment. Further to this, the Council must develop and implement an investment plan to ensure that residents have heating now and in the future in line with government commitments on climate change and carbon emissions.	June 2021	Companies	45
Commercial	Policy statement on roles and responsibilities of nominated non-executive directors and shareholder representatives This statement will also be reflected in the updated constitution. It should establish a common core element for the shareholder agreement together with the company specific elements and	June 2021	Companies	45

DLUHC Theme	Product / Outcome	Timescale	Plan Theme / Section	Location
	effectively impose it onto the companies they retain. It should also commit the Council to increasing its' capacity and capability for managing their commercial operation.			
Commercial	<p>Council to develop new officer shareholder executive function to support and challenge the Companies Governance Executive Sub-Committee</p> <p>The officer group's functions should include: reviewing financial and operational performance; acting as the loan committee for the council; identifying ways to drive down costs and increase dividends or reduce losses held on balance sheets.</p>	January 2022	Companies	45