

Policy Committee

Wednesday, 13 February 2013 at 10:30

County Hall, County Hall, West Bridgford, Nottingham NG2 7QP

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(1) Councillors are advised to contact their Research Officer for details of any Group Meetings which are planned for this meeting. A meeting of the Conservative Group will be held at 9.45 am on the day of the meeting

(2) Members of the public wishing to inspect "Background Papers" referred to in the reports on the agenda or Schedule 12A of the Local Government Act should contact:-

Customer Services Centre 0300 500 80 80

(3) Persons making a declaration of interest should have regard to the Code of Conduct and the Council's Procedure Rules.

Members or Officers requiring clarification on whether to make a declaration of interest are invited to contact Chris Holmes (Tel. 0115 9773714) or a colleague in the Democratic Services prior to the meeting.

(4) Members are reminded that Committee and Sub-Committee papers, with the exception of those which contain Exempt or Confidential Information, may be recycled.

minutes

Meeting POLICY COMMITTEE

Date Wednesday, 16th January 2013 at 10:30am

membership

Persons absent are marked with 'A'

COUNCILLORS

Mrs Kay Cutts (Chairman)
Martin Suthers OBE (Vice-Chairman)

	Reg Adair	Philip Owen
	Joyce Bosnjak	Alan Rhodes
	Richard Butler	Ken Rigby
	Steve Carroll	Kevin Rostance
	John Clarke	June Stendall
	John Cottee	Andy Stewart
	Richard Jackson	Brian Wombwell
A	Stan Heptinstall MBE	Martin Wright
	Mick Murphy	

ALSO IN ATTENDANCE

Councillor Mel Shepherd MBE

OFFICERS IN ATTENDANCE

Steve Bradley	(Children, Family & Cultural Services)
Barbara Brady	(Public Health)
Mick Burrows	(Chief Executive)
Matt Garrard	(Policy, Planning & Corporate Services)
Justine Gibling	(Children, Family & Cultural Services)
Tim Gregory	(Environment & Resources)
Derek Higton	(Children, Family & Cultural Services)
Chris Holmes	(Policy, Planning & Corporate Services)
Marie Lewis	(Policy, Planning & Corporate Services)
Nigel Stevenson	(Environment & Resources)
Anna Vincent	(Policy, Planning & Corporate Services)
Andrew Warrington	(Environment & Resources)
Michelle Welsh	(Policy, Planning & Corporate Services)

MINUTES

The Minutes of the last meeting held on 12th December 2012 having been previously circulated were confirmed and signed by the Chairman.

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Stan Heptinstall MBE (Apologies submitted – Other County Council Business).

DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

Councillor Martin Suthers OBE declared a private non-pecuniary interest in agenda item 5 – the Six Months Strategic Performance Report 2012-13 as he was a member of the Lowland Derbyshire & Nottinghamshire Local Nature Partnership.

Councillor Martin Suthers OBE declared a private non-pecuniary interest in agenda item 7 – National Water Sports Centre Future Management Arrangements as he was a member of the Nottinghamshire Wildlife Trust who had land adjacent to the centre.

AWARD OF THE HIGHWAY MAINTENANCE CONTRACT

RESOLVED 2013/001

- (1) That the proposed highway services term maintenance contract be awarded to contractor A who has submitted the most economically advantageous tender;
 - with both the best cost and highest quality
 - including a commitment to reinvest 90% of the spend under this contract back into the local economy
 - delivering a saving to the Council of over £2m a year for reinvestment towards improving the condition of the County's road network
- (2) That details of the reinvestment of the capital savings arising from this contract be included in reports to Transport & Highways Committee on the Highways Capital programme

SIX MONTHS STRATEGIC PERFORMANCE REPORT 2012-13

RESOLVED 2013/002

That the Six Month Strategic Performance Report be agreed.

Councillors Joyce Bosnjak, Steve Carroll, John Clarke and Alan Rhodes asked for their vote against the motion to be recorded in the minutes.

SUBSTANCE MISUSE SERVICES IN HMP WHATTON & HMP RANBY

RESOLVED 2013/003

That the award of contract to Bidder A as identified in the Exempt Appendix to the report for Lot 1: HMP Whatton; and Lot 2: HMP Ranby be approved.

NATIONAL WATER SPORTS CENTRE – FUTURE MANAGEMENT ARRANGEMENTS

RESOLVED 2013/004

- (1) That approval be given to the award of Bidder A as the operating partner for the National Water Sports Centre, subject to successful clarification/fine-tuning of the legal agreements described in the report
- (2) That approval be given to the Council entering into the necessary legal agreements to give effect to the project within the financial parameters set out in the Exempt Appendix 2 to the report
- (3) That delegated authority be given to the Corporate Director, Children, Families and Cultural Services in consultation with the Group Manager, Legal and Democratic Services, to approve any additions or amendments to any agreements which in their judgement are necessary to give effect to the project and which are within the financial parameters set out in the report

NOTTINGHAMSHIRE CHILDREN'S CENTRES – OUTCOME OF RE-COMMISSIONING PROJECT

RESOLVED 2013/005

- (1) That approval be given to the award to Bidder A of a contract for the delivery of Children's Centre Services, subject of successful clarification/fine-tuning of the legal agreements described in the report
- (2) That approval be given to the Council entering into the necessary legal agreements to given effect to the project within the financial parameters set out in the Exempt Appendix to the report
- (3) That the Corporate Director, Children, Families and Cultural Services be given delegated authority in consultation with the Group Manager, Legal and Democratic Services to approve any additions or amendments to any agreements which in their judgement are necessary to give effect to the project and which are within the financial parameters set out in this report

NOTTINGHAMSHIRE CITIZENS' PANEL – THE WAY FORWARD POST JUNE 2013

RESOLVED 2013/006

That approval be given to self-manage the Citizens' Panel as set out in option B in the report and that options for support be explored with the Customer Service Centre.

SWITCH N SAVE – A NOTTINGHAMSHIRE COLLECTIVE ENERGY SWITCHING SCHEME

RESOLVED 2013/007

- (1) That the establishment of a Nottinghamshire Collective Energy switching scheme be approved
- (2) That an allocation of up to £50,000 be agreed as set out in paragraph 7 of the report

LOOKED AFTER CHILDREN STRATEGY UPDATE

RESOLVED 2013/008

That the update on the development of the Nottinghamshire's Looked After Children Strategy be noted.

INDIVIDUAL ELECTORAL REGISTRATION PILOT

RESOLVED 2013/009

That approval be given to the Council's participation in the data matching project with Mansfield District Council along the lines set out in the report.

PLANNING GROUP – DEVELOPMENT MANAGEMENT TEAM STAFFING

RESOLVED 2013/010

That an existing Grade 5 Post (REF 50148106) in the Development Management Team be redesignated at Band A.

ESTABLISHING HEALTHWATCH NOTTINGHAMSHIRE – PROGRESS UPDATE

RESOLVED 2013/011

- (1) That the revised approach to establishing Healthwatch Nottinghamshire following the abandoned invitation to tender exercise be endorsed
- (2) That a further report be presented to Policy Committee later in the year advising on progress in establishing Healthwatch Nottinghamshire

EVALUATION OF LENGTHSMAN SCHEME PILOT

RESOLVED 2013/012

- (1) That the preliminary evaluation of the Lengthsman Scheme Pilot be noted
- (2) That approval be given to extending the pilot for an additional 12 months from 1st April 2013 until 31st March 2014
- (3) That the revised criteria outlined in the report as well as the funding arrangements set out in Appendix 3 to the report be approved

WORK PROGRAMME

RESOLVED 2013/013

That the Committee's work programme be noted.

EXCLUSION OF THE PUBLIC

RESOLVED 2013/014

That the public be excluded for the remainder of the meeting on the grounds that the discussions are likely to involve disclosure of exempt information described in paragraphs 3 and 5 of the Local Government (Access to Information) (Variation) Order 2006 and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

EXEMPT INFORMATION ITEMS

AWARD OF THE HIGHWAY MAINTENANCE CONTRACT – EXEMPT APPENDIX

RESOLVED 2013/015

That the information contained in the exempt appendix to the report be noted

SUBSTANCE MISUSE SERVICES IN HMP WHATTON AND HMP RANBY – EXEMPT APPENDIX

RESOLVED 2013/016

That the information contained in the exempt appendix to the report be noted

NATIONAL WATER SPORTS CENTRE – FUTURE MANAGEMENT ARRANGEMENTS – EXEMPT APPENDIX

RESOLVED 2013/017

That the information contained in the exempt appendix to the report be noted

NOTTINGHAMSHIRE CHILDREN'S CENTRES – OUTCOME OF RE-COMMISSIONING EXERCISE – EXEMPT APPENDIX

RESOLVED 2013/018

That the information contained in the exempt appendix to the report be noted

The meeting closed at 12.40 pm.

CHAIRMAN
M_16Jan2013

REPORT OF THE LEADER OF THE COUNTY COUNCIL**EXPERIENCE NOTTINGHAMSHIRE – NEW CAMPAIGNS FOR THE COUNTY****Purpose of the Report**

1. The purpose of this report is to introduce a presentation from the Chief Executive of Experience Nottinghamshire, Jennifer Spencer, on the organisation's new marketing campaigns for the area.

Information and AdviceBackground

2. Experience Nottinghamshire is the Destination Management Organisation (DMO) for Nottingham and Nottinghamshire. It is recognised as such by the Government and Visit England. The County Council is a core funding partner of Experience Nottinghamshire, and Policy Committee approved an enhanced contribution of £218,000 per year (for three years) from 2012-13 in September 2012.
3. Visit England has identified 14 areas of the country that it wants to support to drive the growth of the visitor economy. Nottingham and Sherwood Forest are included in this list of 14 'attract' destinations. Visit England secured Regional Growth Fund monies to support new marketing campaigns across these 14 destinations, working through their DMOs to secure local match funding, knowledge and partner buy-in.
4. Experience Nottinghamshire will have access to up to £400,000 from Visit England between 2012-13 and 2014-15 to design and deliver new marketing campaigns to increase the number of visitors to the County. These new campaigns are now live, and are already generating significant results. In the first weekend of February 2013, Nottingham as a visitor destination was featured in both the Guardian and the Mail on Sunday. A similar marketing campaign based on Nottinghamshire's rural retreats will be launched during the next month.
5. Jennifer Spencer has been invited to Policy Committee to present to Members on Experience Nottinghamshire's new marketing campaigns. She will set this in the context of the value of the visitor economy to Nottinghamshire and its wider potential for growth.

Statutory and Policy Implications

6. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such

implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

It is recommend that:

7. Committee welcome the presentation from Experience Nottinghamshire.

Councillor Kay Cutts
Leader of the County Council

For any enquiries about this report please contact: Celia Morris Tel: 0115 977 72043

Finance comments (RWK 05/02/2013)

There are no direct additional financial implications for the County Council arising from the report.

Constitutional comments (SG 05/02/2013)

Policy Committee is the appropriate body to consider the issues set out in this Report.

Background Papers

Policy Committee report 12-09-2012

Electoral Division(s) and Member(s) Affected

All



**REPORT OF
CHAIRMAN of TRANSPORT AND HIGHWAYS COMMITTEE
D2N2 Local Transport Body – Governance Arrangements**

Purpose of the Report

1. To note the draft governance arrangements to guide the Local Transport Body in determining its governance and constitution
2. The County Council in response to a government consultation supported the devolution of funding for local major transport schemes to a Local Transport Body (LTB) covering the D2N2 Local Enterprise Partnership (LEP) area. This report therefore seeks County Council support for the creation of a D2N2 Local Transport Body as a voluntary non-statutory organisation.
3. To seek approval for the Leader and Chairman of the Transport and Highways Committee, with the Vice-Chairman of the Transport and Highways Committee deputising as appropriate, to represent the County Council on the D2N2 Local Transport Body as set out in this report and to note that decisions regarding major transport schemes for Nottinghamshire will continue to be determined by the County Council.

Background

4. Nottinghamshire County Council continues to progress and deliver a programme of major transport projects to provide an efficient and reliable transport and highway network supporting residents and road users and economic growth across the County. Current projects include Mansfield Bus Station £11M due for completion March 2013 and Hucknall Town Centre Improvement £13M due for construction 2014/15.
5. The Department for Transport (DfT) has consulted local authorities regarding its proposals to devolve funding for local major transport schemes for local determination. Briefly DfT propose to
 - a. Devolve capital funding for local major transport schemes to new democratically accountable local transport bodies. The detailed membership of these bodies will be for the local area to propose and agree;
 - b. Allocate budgets to the Local Transport Bodies by formula based on population;
 - c. Within a common approach to assessing value for money and priority Local Transport Bodies will determine their own programmes of local major transport schemes;
 - d. Put both local transport authorities and local enterprise partnerships (LEP) in influential roles in the decision making arrangements of Local Transport Bodies

over which transport schemes are delivered.

6. On 18th April 2012 Cabinet approved the County Council's response to the consultation including
 - a. That the Local Transport Body should map onto the D2N2 LEP geography, that is compromise Nottinghamshire, Nottingham, Derbyshire and Derby;
 - b. That the LEP becomes a full member of the Local Transport Body and thereby has a direct say in the decision making process;
 - c. Significant decisions of the Local Transport Body will require scrutiny, endorsement and ratification by the Cabinet/Committees of each local transport authority.
7. Following this decision officers of the County Council have worked closely with colleagues from Nottingham and Derby City Councils and Derbyshire County Council, within the guidance provided by the Department for Transport (DfT) to produce a common approach to the formation of a Local Transport Body.
8. On 28th September 2012 DfT asked for confirmation of the geographic arrangements for Local Transport Bodies. A letter was sent confirming the County Council's position established by Cabinet on 18th April 2012 for a Local Transport Body coincident with the D2N2 LEP geography, comprising Nottinghamshire, Nottingham, Derbyshire and Derby. Indeed all 4 local transport authorities replied supporting this arrangement with Derby and Nottingham City making reference to future consideration of combining with the Leicestershire and Leicester Local Transport Body.
9. However where the D2N2 LEP overlaps the Sheffield City Region LEP those District Councils were also given an opportunity by DfT to comment. Of the 4 District Council the 3 in Derbyshire have all expressed a preference for local major schemes in their area to be funded by the Sheffield City Region Local Transport Body rather than that of D2N2. Bassetlaw District Council has not formally expressed a preference.
10. The Secretary of State for Transport on 23rd January 2013 determined that the allocation for all 4 districts within the overlapping LEP area be shared 50:50 between the D2N2 LTB and the SCR LTB.
11. The DfT on 23rd January 2013 provided indicative funding allocations for the LTB of about £46.8M over a 4 year period, i.e. £11.7M/year for D2N2 including the proportion of the split allocation. This would be supplemented by each local transport authority contributing to the capital cost of their schemes as under current arrangements. However, a project equivalent to the Hucknall Town Centre relief road major project would therefore take just over 1 year of funding allocation. Therefore it is unlikely that each Council will be able to deliver more than 1 large major project in each 4 year period, although the LTB may lower the current £5M threshold to allow smaller schemes to progress.

D2N2 Local Transport Body– draft governance arrangements

12. In order to access this funding DfT require the proposed arrangements to govern the Local Transport Body to be established.

13. It is recognised that the Local Transport Body will have the authority to determine its own governance and constitution.

Principles

14. In considering governance arrangements the following principles have been adopted:

- a. Clarity in decision making hierarchy between local transport authorities, the Local Transport Body and the LEP;
- b. Transparency of decision making process;
- c. Clear democratic accountability.

Working arrangements

15. It is proposed that the Local Transport Body is created as a voluntary non-statutory organisation (on the same basis as the current successful Joint Planning Advisory Board). A draft constitution is in preparation to be considered for approval by the LTB and will establish the detailed working arrangements. Similarly assurance and governance arrangements are also in preparation and will require submission to DfT for approval followed by review by the LTB.

16. The Local Transport Body will convene an annual meeting to review membership, secretariat and other administration arrangements, meeting programme, and organisation of supporting boards and task groups.

17. The annual meeting will also appoint one of the local transport authorities to act as the financially accountable body for receipt and management of Local Transport Body grants, funding and budgets.

18. The four local transport authorities will provide revenue funding to support the operation of the Local Transport Body. The nominated financially accountable body (local transport authority) will receive and manage these funds.

Membership

19. In order to balance operational needs with democratic accountability and accommodate membership numbers broad enough to be inclusive yet small enough to facilitate practical business meetings membership is proposed as follows

- a. 8 elected members – 2 from each of the four local transport authorities
- b. 1 representative from the D2N2 LEP (must be private sector)
- c. 1 representative from the Sheffield City Region (overlapping) LEP
- d. 2 elected members from D2N2 area District Councils

20. Chair to be elected by the Local Transport Body.

21. Non-voting advisory members should include Department for Transport, Highways Agency, Network Rail, Leicestershire and Leicester LEP, Notts/Derbys District Councils in neighbouring LEP/Local Transport Body.

LTB Structure

22. The Local Transport Body will be supported by a secretariat, a senior officer group and a finance group with other working groups established as required, for example to work up the detail of the programme development, prioritisation and appraisal. It is envisaged that this will be provided through existing staff cost and/or provision within the highways revenue budget not exceeding £10,000.

Prioritisation

23. It is proposed that for the initial spending review period the existing major transport scheme programmes from each of the local transport authorities will be coordinated within the available funding. Schemes that are included within current Local Transport Plans will have the advantage of public consultation through the consultation on the Local Transport Plan and local democratic authority through consideration and adoption of Local Transport Plans by each local transport authority.
24. Local transport authorities are likely to require a democratic approval of which schemes from the Local Transport Plan are promoted for consideration by the Local Transport Body.
25. An initial assessment of the strategic transport and economic need, scheme prioritisation and value for money would be required from each local transport authority. Individual transport authorities will need to propose programmes that are realistic in terms of funding and flexible in terms of delivery timings. If each local transport authority continues to use DfT guidance for cost benefit analysis or a similar consistent approach the consideration of competing priorities could be used to inform programming decisions.
26. The Local Transport Body will determine a D2N2 wide transport infrastructure programme based on deliverability, matching programmes to the available funding as closely as possible.
27. Whilst this initial approach is the most practical in the short term there is a risk that the programme may not deliver best overall value for the D2N2 area, and may not deliver the best transport and economic investment outcomes for the D2N2 area.
28. The proposed governance of this arrangement would be:

Councils (local transport authorities) approve local programme/schemes
LTB consults on an area wide programme/devolved funding allocation
Councils (local transport authorities) comment on programme/devolved funding
LTB confirms area wide programme/devolved funding allocation
Councils confirm area wide programme/devolved funding allocation
Councils approve scheme specific procedures
(planning, equality impact assessments, Side Roads Orders, CPO, procurement)
Councils approve contracts and expenditure
LTB monitors area wide programme delivery/expenditure

29. A future aspiration is to undertake a D2N2 area wide assessment of major transport scheme investment requirements to best improve transport provision within and across the area and linking to adjacent areas and the national transport network. Such an evidence based approach should also include a consideration of economic development opportunities and benefits. The outputs from such an assessment would identify the priority objectives for the area which would form a future provisional scheme programme. Individual local transport authorities would then be required to develop specific scheme proposals to meet those area wide objectives.
30. The benefit of this longer term approach is that it will better ensure investment is directed to deliver the best transport and economic development outcomes for the D2N2 area.
31. However, it is recognised that the lead time for the area wide assessment is too long to produce deliverable schemes for the first spending review period and it should rather be an aspiration worked towards in future spending review periods.
32. There would remain a risk of the potential to cluster delivery in one part of the area and risk the appearance of disadvantaging other areas. Some moderation of bids by the LTB could mitigate this risk.
33. It is noted that within the likely funding constraints it should be assumed that each LTA will continue to contribute to the capital cost of a scheme to improve its value for money.

Other Options Considered

34. If governance arrangements are not agreed by each of the participating partner authorities and an assurance framework for the D2N2 LTB is not submitted to the satisfaction of the DfT there is a risk to securing this funding.

Reasons for Recommendations

35. To ensure that Local Transport Bodies are fit for purpose it is necessary for assurance frameworks to be put in place setting out governance and working arrangements within a short timescale. The DfT requires that these frameworks be submitted by the end of February 2013 and must be approved by the Department before any devolved funding is transferred.
36. The DfT has stated that these assurance frameworks must meet minimum standards as set out in published guidance.
37. A D2N2 Infrastructure Group has been established that is attended by the relevant Transport Directors. This group has worked up a draft assurance framework to be agreed by the LTB.
38. It is proposed that the LTB is created as a voluntary non-statutory organisation consistent with the guidance.

39. The deadline for submitting prioritised lists of schemes for funding for the period from 2015 is July 2013.
40. The total amount of funding available for new local major transport schemes will be determined through the next spending review.

Statutory and Policy Implications

41. This report has been compiled having given due regard to the Public Sector Equality Duty and after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

42. Capital funding made available through the LTB will be managed through the annual capital programme. As under current arrangements a capital contribution may be required for individual schemes which will be considered on an individual scheme basis through the usual annual capital budget process.
43. A draft budget for the operation of the LTB will be proposed by the LTB and considered by the LTA. Required capital and revenue contributions from each local transport authority need to be agreed.

RECOMMENDATION/S

44. It is recommended that
- a. The County Council supports the creation of a D2N2 Local Transport Body as a voluntary non-statutory organisation and the submission to DfT governance and assurance proposals based on the principles set out in this report;
 - b. The Leader and Chairman of the Transport and Highways Committee represent the County Council on the D2N2 Local Transport Body as set out in this report and that the Vice-Chairman of the Transport and Highways Committee or other Member may deputise as necessary; and
 - c. It be noted that decisions regarding major transport schemes for Nottinghamshire will continue to be determined by the County Council;

Andrew Warrington
Service Director (Highways)

For any enquiries about this report please contact:

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Andrew Warrington 0115 9774681

Constitutional Comments [CEH 23.01.13]

45. The recommendations fall within the remit of the Policy Committee.

Financial Comments (TMR 21.01.13)

46. The financial implications are set out in paragraphs 42 and 43 of the report.

Background Papers

47. Cabinet report on 18th April 2012

Electoral Division(s) and Member(s) Affected

48. All

REPORT OF THE LEADER, AND THE CHAIRMAN OF THE FINANCE & PROPERTY COMMITTEE**REVENUE BUDGET PROPOSALS 2013/14****CAPITAL PROGRAMME PROPOSALS 2013/14 to 2016/17****MEDIUM TERM FINANCIAL STRATEGY 2013/14 to 2016/17****COUNCIL TAX PROPOSALS 2013/14****Purposes of the Report**

1. To make proposals to the full County Council on 28 February 2013 regarding:
 - the Annual Revenue Budget for 2013/14
 - the Capital Programme for 2013/14 to 2016/17
 - the Medium Term Financial Strategy for 2013/14 to 2016/17
 - the level of the Council Tax Precept for 2013/14

Initial Budget Proposals

2. On the 5 November 2012, the Budget Conversation campaign was launched and Finance & Property Committee considered initial budget proposals at its meeting on 12 November 2012. The report set out the Council's Medium Term Financial Strategy (MTFS) and outlined the financial risks and policy assumptions over the period to 2016/17. This report is an update to the November report and will inform the budget report to full Council later this month.

Autumn Statement and Local Government Settlement

3. On 5 December 2012, the Chancellor of the Exchequer, George Osborne, made his Autumn Statement to the House of Commons updating MPs on economic and fiscal forecasts for the UK economy. At the same time the Office for Budget Responsibility (OBR) published its Economic and Fiscal Outlook (EFO), with its forecasts for the economy and the public finances, and an assessment of whether the Government is likely to achieve its fiscal mandate and supplementary target. In his statement, the Chancellor outlined the following key issues:
 - The OBR's forecasts of economic growth, as measured by Gross Domestic Product (GDP), have been revised downwards since the March 2012 Budget. The Chancellor said 'It's taking time but the British economy is healing'. The UK economy is now forecast to reduce by 0.1% this year (compared with

growth 0.8% forecast in March) and grow by 1.2% next year (compared with 2.0% forecast in March). In 2014, 2015, 2016, the forecast growth will be 2.0%, 2.3% and 2.7%.

- The deficit is expected to fall as a share of GDP over the coming five years, from 6.1% this year, to 1.6% in 2017/18.
 - Government departments' revenue budgets, known as resource Departmental Expenditure Limits (DELs), will be reduced by 1% in 2013/14 and 2% in 2014/15. This will reduce total government expenditure by £980 million in 2013/14 and £2.4bn in 2014/15.
 - The Government will provide an additional £333 million for essential maintenance of the national and local road network.
 - The Government will provide £275 million in 2013/14 and £895 million in 2014/15 for capital expenditure on schools. This includes funding for 100 new academies and free schools, as well as investment to expand 'good schools', in the areas experiencing highest demand for places.
 - The Government will provide a further £350 million for the Regional Growth Fund by May 2015. This supports projects and programmes with significant potential for economic growth and creation of additional private sector employment.
4. Looking ahead, overall public expenditure in 2015/16 and 2016/17 will continue to decrease at the same rate as the previous spending review period, as announced in the Autumn Statement 2011. Detailed spending plans for 2015/16 will be published in the first half of 2013. However, spending on health, schools and overseas development will be protected from further reductions. Consequently, although no decisions about actual public spending for these years have been made, indications are that Local Government can expect to see its funding reduced further, perhaps by as much as 10-15% over the reductions that have already previously been announced. The figures in this report take account of a potential 15% reduction over 2015/16 and 2016/17.
5. The autumn statement was followed by the Local Government Finance settlement, which was issued later than in previous years on 19th December. The introduction of the Business Rates Retention Scheme, the rolling of several government grants into formula grant and late announcements on some departmental grants has added to the complexity in confirming the settlement figures.
6. The settlement confirmed the earlier announcement by the Chancellor in October 2012 on Council Tax freeze grant; it assumed that the freeze grant for 2013/14 will be 1% (equivalent to £3.1m) pending the decision at the County Council meeting in February to set a nil increase in council tax for 2013/14.

7. The headlines from the settlement were:

- There was a reduction in the size of the New Homes Bonus topslice from £2bn each year to a figure more in line with forecast allocations. In addition, there was a reduction in the topslice to fund the Business Rate Safety Net from £250 million to £25m. These measures reduce the amount withheld from local authorities and will help all authorities to plan their budgets with more certainty.
- The criteria under which a council tax referendum would be called has been published; any increase in council tax of 2% or more would trigger a referendum.
- The Secretary of State announced that local authorities will face an average reduction in spending power of 1.7%; and that no local authority would experience a decrease of more than 8.8%. The County Council's reduction has been calculated as 2.5% as illustrated in the table below.

Table 1 - Financial Analysis of Funding Changes 2013/14

Funding	2012/13 £m	2013/14 £m	Change £m	%
Formula Grant	252.1	238.1	(14.0)	5.6
Other Grants*	11.6	15.5	3.9	33.6
Council Tax (including Freeze Grant)	316.6	312.0	(4.6)	(1.5)
Total Spending Power	580.3	565.6	(14.7)	(2.5)

*This analysis includes Learning Disability & Health Reform Grant and New Homes Bonus, but does not include the £35million funding Public Health; or the anticipated further c£11million Education Services Grant - this amount is still to be confirmed by the Department for Education

8. The overall conclusion that can be drawn from both the Autumn Statement and the settlement is that in the short term, i.e. 2013/14, it is unlikely that the government will implement further measures, over and above those already in place, to reduce funding to local government. However, over the medium term to longer term it is highly likely that further and potentially significant budget reductions will be forthcoming. The County Council must therefore take appropriate steps to mitigate against the risks of further funding reductions and this will be a key aspect of the next phase of the Council's transformation programme.
9. Given the change to the way in which local authorities are funded through business rates, a healthy local economy will become increasingly important to local government. Coupled with the continued challenging economic conditions, the Council is looking to play a key role in ensuring local economic growth is secured. As such, capital programme schemes to dual the A453, deploy superfast broadband for the area and bring in tourism through the Sherwood Forest Visitor

Centre attraction and development of the National Watersports Centre, will be of critical importance. Full details of the capital programme are included in paragraphs 42- 82.

Consultation

10. Each year the Council undertakes a budget consultation exercise with residents and stakeholder groups to help guide and inform the annual budget setting process. Last year the County Council consulted on specific budget proposals for a two year period, as such this year there are no specific budget proposals to consult on. As in previous years, this year's budget consultation process has been robust with the emphasis on involving as many residents and communities as possible.
11. 2 On the 5 November 2012, the 'Budget Conversation' campaign was launched. This was designed to gauge residents' views on services which are important to them and to gain an understanding of their general priorities for the future. The campaign took place in County News (the Council's newspaper), on-line, in libraries and county information points across Nottinghamshire, by holding face to face meetings and workshops and by attending events. In addition to raising awareness of the financial constraints facing the Council, the campaign was also designed to gauge specific views by asking the following questions:-
 - *Do residents agree or disagree that we should freeze council tax?*
 - *On a scale of 1 to 5, how willing would residents be to take on more responsibility for what happens in their neighbourhood?*
 - *Do residents think the Council is doing too much/about right/too little to provide services to support them and their community?*
 - *Looking at a list of County Council services, where would residents least like to see savings made?*
 - *Looking at a list of County Council services, where do residents consider are the greatest opportunities to make savings, with least impact?*
 - *Which services do residents think the County Council should stop providing?*
 - *If some County Council non-statutory services were to be provided differently, which alternative approach would residents support?*
 - *What single change or improvement to County Council services do residents think would make a real difference to them or their family?*
12. This year, the Council has been keen to consult with community groups and has taken a proactive approach through its community engagement officers. The whole of the county has been covered and a wide range of respondents from all age groups and backgrounds have been engaged via meetings, often 'piggybacking' other community events that have taken place. Also, articles have been placed in local newsletters such as the 'Bellamy Bugle', promoting the opportunity for residents to get involved in this year's budget conversation.

13. Particular attention has been given to accessibility and engagement to ensure the budget conversation process is participatory and no one is precluded from taking part by:-

- Giving residents the opportunity to set their own budget by using the on-line budget simulator.
- Making available a toolkit for residents/organisations to use if they want to run an event to discuss the budget. This was available to download from the public website or completing on-line. Over 213 copies of the toolkit have been downloaded.
- Residents could join the conversation in our discussion forums.
- Making comments cards available in reception points in libraries and county information points, where members of the public could obtain assistance.
- Holding face to face discussion groups and workshops with young and older people across the county, including Older People's Advisory Group, East Leake Academy, Colonel Frank Seeley School, Quarrydale Academy.
- Publicising a freepost address for residents to send in their own handwritten letters.
- Making available an on-line form on the County Council's website.
- Making paper copies of the budget proposal questionnaire available to all Nottinghamshire residents in the county via County News.
- Publicising the Customer Service Centre telephone number so that members of the public can get advice and assistance over the telephone and an advisor will complete the on-line questionnaire for the customer if required.
- Engaging the voluntary sector via Networking Action for Voluntary Organisations (NAVO) via meetings and newsletters.
- Displaying posters on Parish/Town Council notice boards.
- Reaching community based organisations, groups we consider hard to reach and other agencies via email and face to face meetings.

14. The County Council has a statutory duty to consult with the business community under the Local Government Finance Act 1992 (section 65) regarding the authority's plans for expenditure in the financial year. This year, consultation with members of the business community took place via the Council's existing links. In order to ensure as many small and medium sized businesses across Nottinghamshire were involved, the Business Engagement Group (NBEG) were consulted. NBEG comprises representatives of business clubs across the County including the Chamber of Commerce and the Federation of Small Business, as well as more local Clubs such as Mansfield 2020 and the Newark Business Club. Together, NBEG representation offers access to some 12,000 Nottinghamshire businesses. The budget conversation was highlighted at the September 2012 NBEG meeting and reinforced again via an electronic mailing, requesting their views and to cascade information to their members. NBEG members were then reminded at the December meeting, to encourage a response. Officers have also taken the opportunity to encourage a response to the consultation when attending

meetings of business clubs, for example, at the Chamber's President's Breakfast Meeting in November 2012.

15. The Council has been eager to make use of social media as a mechanism for promoting, and engaging, residents in the 2013/14 budget conversation. As at the 25 January 2013 a total of 2132 visits have been made to the budget conversation site via Google, and social media sites such as Facebook and Twitter.
16. The on-line budget simulator has been used by the Council as a means of consulting residents on their spending and budgetary priorities for the forthcoming year. Participants were required to balance the budget to achieve a 0% increase in council tax and have the opportunity to have their say by increasing or reducing expenditure within six service headings (Children & Young People: Adult Social Care & Health: Culture & Community: Transport & the Environment: Community Safety: Support Services). In addition, respondents were able to choose to save money through certain efficiencies. A total of 114 individuals completed the budget simulator. In order to engage with young people and to raise their awareness of the difficult financial decisions the council has to make, a number of budget conversation workshops have taken place in schools across the County. Students said they found the experience both informative and enlightening and began to understand the complexities and difficulties of having to make priority decisions in such important service areas.
17. Consultation on the County Council's 2013/14 budget conversation closed on 25 January 2013. In total 1,431 individual responses have been received.

Table 2 - Consultation engagement methods and responses

Methodology	Responses
On-line consultation form, comment cards and 'County News' paper surveys	1,317
On-line budget simulator	114
Total	1,431

18. The key findings arising out of the 'budget conversation' are summarised below:

- More residents agree (65%) than disagree (21%) that the Council should freeze council tax.
- On a scale of 1 to 5 (1 being *least* willing and 5 being *most* willing) most residents (38%) indicated a response of '3' to the question 'How willing would you be to take on more responsibility for what happens in your neighbourhood', followed by 20% of residents indicating a response of 4.
- A total of 44% of respondents think the Council is doing 'about right' to provide services to support them and their community, 4% think the Council is doing 'too much', 43% 'too little' and 9% 'don't know'.
- When it comes to savings residents would least like to see, the majority of respondents indicated the areas they would least like to see savings made are 'Services to support older people, adults with physical or learning disabilities and adults with mental health needs', followed by 'Services to tackle crime and anti-social behaviour'.
- Most residents saw 'Street lighting', followed by 'Services aimed at protecting the environment' as opportunities to make savings, with least impact.
- In response to the question 'What services should the Council stop providing, most respondents indicated 'None – all services are important', followed by 'Under-utilised bus services, bus subsidies, free transport'.
- If some Council non-statutory services were to be provided differently, the majority of respondents would like these provided by 'Town/Parish councils', followed by 'Charities/voluntary sector organisations'.
- When asked what single change or improvement to Council services would make a real difference to residents and their family, the majority of respondents stated 'Improvements to the highways (including streets and verges) / public transport' and 'More libraries and longer library opening hours'.

19. Findings from the on-line budget simulator have indicated the highest percentage *increase* people would prefer to see relates to Culture and Community (22% increase), a total of £13.9 million is currently spent in this area; and Community Safety (22% increase), a total of £4.3million is currently spent in this area. The

highest percentage *reduction* people would prefer to see relates to Council Support Services (83% reduction), a total of £52 million is currently spent in this area.

Proposed adjustments post consultation

20. In light of the consultation responses, Members have reviewed the budget proposals and have now recommended a number of variations to the overall package of savings and investment that were contained in the November report, which are set out below:

- An additional £1 million funding be allocated to the carriageway and footway patching budgets. This increased funding and maintenance will enable the Council to be more responsive, and carry out permanent patching as part of a 'right first time' approach. It will also support the overall condition of the road network that the authority maintains.
- The establishment of a £500,000 programme of investment to support the delivery of a Nottinghamshire Youth Employment Strategy aimed at increasing young people's access to employment opportunities through the development of employability skills and more effective employer engagement

Movements since November

21. Taking account of the proposed areas for both growth and reprioritisation, no increase in Council Tax was proposed for 2013/14 in the November consultation report. Since the November report, and following the settlement, the Council's MTFs has been updated to reflect the latest available information, and the impact is set out in the paragraphs below. The overall change can be accommodated within existing resources, maintaining the commitment to freeze Council Tax for a fourth consecutive year, and as a result no increase in Council Tax for the 2013/14 financial year is proposed.

Revised Pressures

22. The outline budget proposals contained in the November report referred to significant service growth over the medium term with increased expenditure on specific services of £25.4 million in 2013/14, and a further £33.8 million over the following years. Since then, total pressures have been reviewed and additional pressures have been identified in both Children and Young People Committee and Adults Social Care and Health Committee totalling £10.4 million in 2013/14 and a further £3.1 million in 2014/15. This is summarised in the table below with individual pressures outlined in Appendix A.

Table 3 – Summary of Current Forecast MTFs Spending pressures

	2013/14 £m	2014/15 £m	2015/16 £m	2016/17 £m	Total £m
Pressures reported November 2012	25.4	12.3	9.7	11.8	59.2

Additional Children's Social Care investment	8.4	3.1	-	-	11.5
Additional Adults Commissioning investment	2.0	-	-	-	2.0
Revised total	35.8	15.4	9.7	11.8	72.7

23. In common with other areas of the country, Children's Social Care services in Nottinghamshire continue to be under pressure from the increase in numbers of looked after children and latest modelling trends suggest that this will increase further. Independent audit shows that thresholds for entry to the care system are being applied appropriately, and the numbers of looked after children are lower than both Nottinghamshire's statistical neighbours and the national average. Additional investment of £11.5 million is required in this area to fund both the cost of placing children, the associated legal costs, and an estimate of agency staff usage. This is in addition to the investment agreed in the last budget round.
24. Within Adults Social Care, inflationary pressures have been identified and a further £2million has been added to the base budget.
25. Overall, for 2013/14 the County Council is currently planning to invest an additional £17.9 million in Adults Social Care and an additional £16.4 million in children and young people which includes £11.2 million on Children's Social Care.
26. These cost pressures exceed the anticipated increases that were factored into the MTFS when the Council set the current financial year's budget in February 2012. As in previous years, continued reprioritisation of spending across the County Council, in conjunction with tight budget control in the current year, has released the funding for these higher priority objectives. The budget principles continue to be to minimise the impact on front line services and, where possible, deliver savings through efficiency measures and income generation, as opposed to service reductions.

Inflation

27. The inflation assumptions have not changed since the November report and a 1% pay award has been provided for, although this is still subject to agreement between the employer and unions.

The Base Budget Review

28. The Authority commenced a Base Budget Review in September 2012, with the intention of achieving a number of objectives. These included improving the accuracy of budgets, improving budget forecasting and increasing the understanding of demand led budgets. The delivery of the objectives anticipate the following outcomes:

- Improved transparency and awareness of structure and content of budgets
 - Clearer and stronger management of finance across the organisation
 - Greater level of ownership from budget holders
 - More accurate analysis of all costs
29. Significant work has been undertaken in engaging with budget managers, incorporating a line by line review of each budget area. This has included a detailed review of all staffing budgets, to ensure the 2013/14 budget accurately reflects the deployment of staff across the County Council. In addition, the review of non-staff spend has looked at the primary cost/revenue drivers that influence expenditure/income, and developed appropriate financial models have been developed to assist the budget preparation process.
30. The process has been largely welcomed by managers, often providing them with the first opportunity to be involved in the detailed budget preparation process. This will undoubtedly result in an improvement in the quality of budget monitoring/forecasting, as well as supporting the introduction of a new framework for financial accountability. Furthermore, it will also assist in providing the baseline to undertake a “strategic choices exercise” to align resources to priorities, and help meet the ongoing MTFS challenges outlined elsewhere within the report.
31. This project is still on-going and approximately 85% of budget areas have been subject to review. The complete results will be reported to Members in due course.

Interest & borrowing

32. The level of borrowing undertaken by the Council is heavily influenced by the capital programme and the profile of spend within this. Slippage of capital schemes can therefore result in reduced borrowing in the year, although this will still be incurred at a later date when the scheme completes. Interest payments are based on an estimated interest rate which can also fluctuate depending on the market rates at the time the borrowing is undertaken. The Council's position is monitored regularly in relation to these two variables and has not moved since the November report.

Use of reserves

33. The Council's strategy for managing its reserves and County Fund Balances is outlined in paragraphs 92-96. The effect of this strategy is that the Council intends to utilise an additional £8.4 million, to allow investment in areas that have identified additional pressures, compared to the expectation in the November report.

Taxbase

34. Given the challenging economic climate and the particular pressures being experienced by the housing market, the assumption built into the November report was for growth in the Taxbase of 0.3% from 2013/14 onwards. However, the localisation of Council Tax support has added complexity to any year by year comparison. The precept payable from the District Councils has significantly reduced as households qualifying for Council Tax Benefit are no longer included in the Districts tax base, and instead the grant will be paid directly to the County Council as part of its total funding.
35. Taking a combined figure, however, results in an overall increase in funding of 0.53%, the details are illustrated in the table below.

Table 4 – Forecast Council Taxbase 2013/14

	Taxbase 2012/13	Growth of 0.3% 2013/14	Band D Precept £1,193.18	Confirmed % Change	Confirmed Taxbase 2013/14	Band D Precept £1,193.18
Ashfield	35,620.00	35,726.86	£42,628,575	-16.14%	29,870.30	£35,640,645
Bassetlaw	36,427.23	36,536.51	£43,594,635	-13.77%	31,409.55	£37,477,247
Browtove	35,658.24	35,765.21	£42,674,339	-10.52%	31,907.95	£38,071,928
Gedling	38,435.35	38,550.66	£45,997,872	-10.56%	34,375.00	£41,015,563
Mansfield	31,864.50	31,960.09	£38,134,144	-16.76%	26,524.25	£31,648,205
Newark	39,373.97	39,492.09	£47,121,174	-8.53%	36,015.10	£42,972,497
Rushcliffe	41,459.00	41,583.38	£49,616,454	-6.06%	38,948.00	£46,471,975
Subtotal	258,838.29	259,614.80	309,767,192.87	-11.51%	229,050.15	273,298,057.98
Council Tax Support Grant			(37,899,000.00)			
Grand Total funding			271,868,192.87			273,298,057.98
Additional funding in MTFS from confirmed figures						£1,429,865

Council Tax Surplus/Deficit

36. Each year an adjustment is made by the District Councils to reflect the actual collection rate of Council Tax in the previous year. Sometimes this results in a surplus, payable to the County Council; or a deficit which is offset against future year's Council tax receipts. In recent years this has been as much as £2 million surplus, and a weighted average of £971,000 is included in the MTFS base. Provisional figures suggest a surplus of £686,000 for 2013/14, a one off reduction of £285,000.

Government Grants

37. The November report highlighted a number of uncertainties surrounding the Council's future funding and the overall level of resources available, primarily due to the rolling up of specific grants and changes taking place from April 2013. Paragraphs 3-9 of this report outline the key changes in central government funding policy. Given that reductions were already anticipated in the November MTFS, the impact on the authority has been minimal for 2013/14. The further 2% reduction in 2014/15, equating to £4.9 million, will be dealt with as part of the Council's future financial planning arrangements. The change in 2015/16 represents the 2011/12 Council Tax freeze grant which was added to the base budget for the duration of the Comprehensive Spending Review period only.
38. From 1 April 2013, the Council will become responsible for the provision of public health services. In November, the expectation was that a ring-fenced grant in the region of £30 million would be received. The Department of Health have since released figures for the next two years, and the Council can expect to receive

£35.1 million and £36.1 million respectively. This funding will be spent on delivering additional services that meet the definition of public health, and therefore there is no impact on the Council's bottom line budget.

39. The Council also receives funding from the NHS to support adult social care. In 2012/13, the Council received £9.6 million, this funding has risen to £12.6 million for 2013/14. This funding will be used to help fund some of the additional investment the Council is planning to make in Adult Social Care. However, this funding is not guaranteed on a permanent basis, and has therefore been included in the MTFS assumptions for 2013/14 and 2014/15 only.
40. Since 2011 the Council has received Early Intervention Grant to support services for children, young people and families. This has now been rolled into mainstream funding, although £150 million was retained by Central Government. Recent announcements have confirmed that this will be distributed to authorities as Adoption Reform Grant to support local authorities in the challenge of transforming adoption services and dealing with system backlogs. The County Council anticipates it will receive £1million funding in 2013/14 for this.
41. The overall impact of all the changes since the November report are shown in the following table:

Table 5 – Summary of Post November Changes

	2013/14 £'m	2014/15 £'m	2015/16 £'m	2016/17 £'m	TOTAL £'m
Cumulative shortfall (November report)	0.0	30.6	70.0	106.3	-
Year on year savings requirement	0.0	30.6	39.4	36.3	106.3
Post consultation adjustments	1.5	(1.5)	-	-	-
Revised Pressures	10.4	3.1	-	-	13.5
Changes in use of reserves	(8.4)	8.4	-	-	-
Changes in Taxbase	(1.1)	-	-	-	(1.1)
Changes in Government grant	1.6	4.9	7.7	-	14.2
NHS Funding	(3.0)	-	3.0	-	-
Adoption Reform Grant	(1.0)	1.0	-	-	-
Revised year on year shortfall	0	46.5	50.1	36.3	132.9
Revised cumulative shortfall	0	46.5	96.6	132.9	-

Note: Already included in the November report was an assumption of a further 15% cut in government grant over 2015/16 and 2016/17.

Capital Programme and Financing

42. Local authorities are able to determine their overall levels of borrowing, provided they have regard to “The Prudential Code for Capital Finance in Local Authorities” published by CIPFA. It is, therefore, possible to increase the Capital Programme and finance this increase by additional borrowing provided that this is “affordable, prudent and sustainable”. This is in addition to capital expenditure funded from other sources such as external grants and contributions, revenue and reserves. The revenue implications of the Capital Programme are provided for in, and integrated with, the revenue budget.
43. The County Council’s capital programme has been reviewed as part of the 2013/14 budget setting process. The programme continues to be monitored closely in order that variations to capital expenditure and capital receipts can be identified in a timely manner. Any subsequent impact on the revenue budget and associated prudential borrowing indicators will be reported appropriately.
44. During the course of 2012/13, some variations to the Capital Programme have been approved by Policy Committee, Finance and Property Committee and by the Section 151 Officer. A summary of these were reported to Finance and Property Committee in December 2012. Following a review of the Capital Programme and its financing, some proposals have been made regarding both new schemes and extensions to existing schemes in the Capital Programme. These proposals are identified in paragraphs 45 to 79. The schemes are at different levels of maturity and, where indicated, detailed Business Cases will need to be developed before expenditure commences. Schemes will be subject to Latest Estimated Cost reports in accordance with the Council’s Financial Regulations.

Children and Young People’s Services (CYPS)

45. School Basic Need Programme - The School Basic Need Programme totalling £19.6 million over the period 2012/13 to 2015/16 is already approved within the CYPS capital programme. There continues to be significant pressures on school places due to rising birth rates and parental choice. This has resulted in a need to extend the programme to ensure that Nottinghamshire schools have sufficient capacity.
46. **It is proposed that additional funding of £10.5 million funded from contingency (£5.5 million) and reserves (£5.0 million) is added to the School Basic Need Programme with revised phasing as follows:-.**

2012/13	£2.6m
2013/14	£14.1m
2014/15	£8.9m
2015/16	£2.5m
2016/17	£2.0m

47. School Capital Refurbishment Programme – The School Capital Refurbishment Programme totalling £65.5 million over the period 2012/13 to 2015/16 is already

approved as part of the CYPS capital programme. The programme has been accelerated to deliver essential building works.

48. The rephased funding of the School Capital Refurbishment Programme is as follows:-

2012/13	£25.6m
2013/14	£29.9m
2014/15	£10.0m

49. The Department for Education capital grant allocation for 2013/14 and beyond that support both the school Basic Need and Refurbishment programmes are best estimates as the Government funding regarding school capital allocations have yet to be announced. On confirmation of the grant allocations the programme will need to be varied accordingly.

50. Rushcliffe Children's Centres – It is proposed that a programme of work is undertaken to re-organise the Children's Centre provision in Rushcliffe. Co-location of services and the refurbishment of existing buildings would enhance services available in the Borough and enable most vulnerable families to be reached.

51. **It is proposed that an £870k allocation funded from contingency is incorporated into the Capital Programme.**

52. Early Education Places for Eligible Two Year Olds – The Local Authority has been allocated a 2013/14 capital grant from the Department for Education. The £1.1million grant is available to provide childcare places for disadvantaged children across the County where there is a sufficiency issue.

53. **It is proposed to incorporate the £1.1 million Early Education Places for Eligible Two Year Olds grant into the Capital Programme.**

Transport and Highways

54. Worksop Bus Station – This project proposes to create a fully enclosed bus station for Worksop as part of the County Council's strategy to refurbish or rebuild the county's stock of bus stations.

55. **It is proposed that funding of £1.0 million in 2013/14 and a further £1.5 million in 2014/15 is incorporated into the Capital Programme and funded from reserves.**

56. Minor Capital Allocation Variations – Many programmes of work within the Transport and Highways are intrinsically linked. **As a result of this, approval is sought to transfer a number of minor allocations between programmes as shown below. This movement of funding does not impact the total level of borrowing in the programme as a whole:-**

Programme	£000
Road Maintenance & Local Transport Plan	91
Road Safety	(41)
Residual Land Compensation Claims	(44)
Street Lighting Renewal	(49)
Advance Design Fees	(8)
Other Major Projects	51
Net Budget Movement	NIL

57. Road Maintenance and Renewals and Local Transport Plan – These two programmes of work provide support for local highway maintenance across the County. Funding for 2012/13 is already approved within the capital programme. In the Chancellor's Autumn Statement announced on 5 December 2012 additional funding was received from the Department for Transport through the Local Highways Maintenance Grant.

58. **It is proposed that additional grant of £2.0 million in 2013/14 and a further £1.1 million grant in 2014/15 are included within the capital programme.**

59. Transport and Highway External Funding - Transport and Highways have successfully levered in external funding to fund a number of projects across the Capital Programme. This is funding allocated across many programmes of work but does not impact upon the financing of the programme as a whole.

60. **The variations to the capital programme required as a result of the external funding income are as follows:-**

Programme	£000
Transport and Highways External Funding	(676)
Local Transport Plan	295
Land Reclamation	251
Transport and Travel Services	84
Road Safety	41
Flood Alleviation and Drainage	5
Net Budget Movement	NIL

61. **Hucknall Town Centre Improvement** - This major transport scheme proposes the construction of a 0.5 km inner relief road parallel to the existing town centre High Street with funding already approved within the Capital Programme. Grant identified against this scheme in the capital programme totals £9.8 million. £8.5 million of this is funded from the Department for Transport and a further £1.34 million is funded from a contribution from Ashfield District Council. £339k of the Ashfield contribution was applied to capital expenditure in 2011/12

62. **A variation to the capital programme is required to reduce the financing of this project down by £339k to reflect external funding applied in prior years.**
63. Vehicle Purchase – Gritters – Costs totalling £219k have been incurred to purchase essential gritting vehicles over and above the available budget. It is proposed that the shortfall in funding is recovered from within the Manage and Operate Partnerships capital budget.
64. **It is proposed that a variation to the capital programme is approved to reduce the Manage and Operate Partnerships budget by £219k with a corresponding increase to the Vehicle Purchase – Gritters budget. The overall capital programme is unaffected by this variation.**

Environment and Sustainability

65. Waste Management – The capital programme already includes indicative budget of £500k per annum from 2013/14 onwards. However, there is recognition that costs associated with the Eastcroft Incinerator will increase by £500k per annum from 2013/14.
66. **It is proposed that funding of £500k per annum, funded from capital borrowing, is added to the capital programme to fund anticipated increased Waste Management costs.**

Culture

67. Sherwood Forest Visitor Centre – In September 2011, the Council agreed a new works concession procurement process to secure an external designer, operator and funder for the Sherwood Forest Visitor Centre. As part of this process there is a requirement for the County Council to support the development by a third party of a new visitor centre.
68. **It is proposed that funding of £1.653 million, funded from reserves, is added to the capital programme to fund site remediation, access and infrastructure costs at the centre.**
69. National Water Sports Centre – In July 2011, Cabinet approved a new ambition statement for the National Water Sports Centre. Approval was also given for the undertaking of a competitive dialogue procurement process to secure an operating partner to manage, operate and develop the Centre on the Council's behalf. As part of the process the Council has been explicit with bidders that there is £1.6 million capital funding allocated to the project. £1.475 million of this contribution will be funded from grant that is already approved within the capital programme.
70. **It is proposed that the £0.125 million funding shortfall is met from contingency and included in the Capital Programme.**

Finance and Property

71. Nottinghamshire Local Broadband Plan – The ambitious vision for superfast broadband deployment in Nottinghamshire can only be realised if the Government's allocation of £4.25 million is matched pound for pound by local sources and a telecommunications provider is procured (who will also be required to provide match funding). Discussions are taking place with the District, Borough and City Councils with regard to contributions to the scheme.
72. **It is proposed that funding of £2.150 million, funded from contingency, is included in the capital programme to fund the County Council's contribution to the broadband project.**
73. Building Works – It is proposed that the Building Works capital budget will make a contribution of £237k in respect of essential maintenance works required to the Adult Day Care Services Modernisation capital project.
74. **It is proposed that a variation to the capital programme is approved to reduce the Building Work budget by £237k with a corresponding increase in the Adult Day Care Modernisation project. The overall capital programme is unaffected by this variation.**
75. Sun Volt Programme – It is proposed that a spend to save initiative is undertaken to install solar panels on the main County Council building. This project will enable the County Council to benefit from feed tariff payments and savings in energy costs. The programme is expected to yield an overall return on investment of almost 10% and will also markedly reduce carbon emissions.
76. **It is proposed that from 2013/14 to 2016/17 funding of £250k per annum, funded from prudential borrowing, is included in the capital programme to fund the County Council's Sun Volt programme.**

Contingency

77. The Capital Programme requires an element of contingency funding for a variety of purposes, including urgent capital works, schemes which are not sufficiently developed for their immediate inclusion in the Capital Programme, possible match-funding of grants and possible replacement of reduced grant funding.
78. A number of capital bids described above are proposed to be funded from uncommitted 2012/13 contingency and a part of the 2013/14 contingency. The levels of contingency funding remaining in the capital programme are as follows:-

2012/13	£3.2 million
2013/14	£1.3 million
2014/15	£8.5 million
2015/16+	£5.0 million per annum

Revised Capital Programme

79. Taking into account schemes already committed from previous years (some of which have incurred slippage and are now re-phased) and the additional proposals above, the summary Capital Programme and proposed sources of financing for the years to 2016/17 are set out in the table below. The figures reflect proposals to utilise Earmarked Reserves and County Fund Balances to fund one off capital schemes as outlined at Appendix B.

Table 6 – Summary Capital Programme

	Revised 2012/13 £'m	2013/14 £'m	2014/15 £'m	2015/16 £'m	2016/17 £'m	TOTAL £'m
Committee:						
Children & Young People's Services*	39.854	54.294	18.900	2.500	2.000	117.548
Adult Social Care & Health	4.418	6.104	6.650	3,000	3.000	23.172
Transport & Highways	38.602	42.524	37.407	35.565	26.256	180.354
Environment & Sustainability	5.171	4.853	4.574	4.200	4.000	22.798
Community Safety	0.003	0.297	-	-	-	0.300
Culture	5.147	5.930	1.204	0.450	1.322	14.053
Deputy Leader	8.902	5.075	-	-	-	13.977
Finance & Property	14.880	11.180	4.450	3.650	3.650	37.810
Personnel and Performance	0.088	0.070	0.070	0.070	0.070	0.368
Contingency	3.200	2.329	8.500	5.000	5.000	24.029
Capital Expenditure	120.265	132.656	81.755	54.435	45.298	434.409
Financed By:						
Borrowing	67.298	72.144	36.406	25.800	21.672	223.320
Capital Grants †	46.162	44.351	37.679	27.465	22.456	178.113
Revenue/Reserves	6.805	16.161	7.670	1.170	1.170	32.976
Total Funding	120.265	132.656	81.755	54.435	45.298	434.409

* These figures exclude Devolved Formula Capital allocations to schools.

† Indicative Government funding for Transport and Schools is included in 2014/15 to 2016/17.

80. The Capital Programme for 2013/14 includes £19 million of re-phased or slipped expenditure previously included in the Capital Programme for 2012/13. Funding for individual schemes is detailed in Appendix A.

Capital Receipts

81. In preparing the Capital Programme, a full review has been carried out of potential capital receipts. The programme still anticipates significant capital receipts over the period 2012/13 to 2016/17. Any shortfall in capital receipts is likely to result in an increase in prudential borrowing. Forecasts of Capital Receipts incorporate anticipated slippage between years and are shown in the following table.

Table 7 – Forecast Capital Receipts

	2012/13 £'m	2013/14 £'m	2014/15 £'m	2015/16 £'m	2016/17 £'m	TOTAL £'m
Forecast Capital Receipts	3.6	5.8	18.1	12.2	11.5	51.2

82. The County Council is required to set aside a Minimum Revenue Provision (MRP) in respect of capital expenditure previously financed by borrowing. In recent years, the Council has sought to minimise the revenue consequences of borrowing by optimising the use of capital receipts to reduce the levels of MRP in the short to medium term. As such, the Council's strategy is to apply capital receipts to

borrowing undertaken in earlier years, rather than using them to fund in-year expenditure. Although this will be presented as a higher level of in-year borrowing, the overall level of external debt will be unaffected. This policy will be reviewed on an annual basis.

Costs of Redundancies arising from 2012/13 Budget Proposals

83. It is recognised that significant reductions in staffing numbers results in substantial redundancy costs. The Council seeks to maximise the use of voluntary redundancies to minimise the impact of having to make compulsory redundancies, although it is inevitable that there will be some compulsory redundancies, and the costs of either voluntary or compulsory redundancy are the same.
84. Other Human Resource policies, such as retraining and redeployment, will be used wherever possible. During the course of the 2012/13 financial year a number of people have already left the service of the Authority and more will depart on or before 31 March 2013. The current estimated costs for 2012/13 are shown in the table below.

Table 8 – Estimated Redundancy Costs 2012/13

Department	Redundancy £'m	Pension Strain £'m	Total £'m
Policy, Planning & Corporate Services	0.25	0.37	0.62
Children, Families & Cultural Services	3.05	0.62	3.67
Environment and Resources	1.24	0.56	1.80
Adult Social Care, Health & Public Protection	1.55	0.67	2.22
Total	6.09	2.22	8.31

85. The costs of Lump Sum payments and the ongoing pension costs are met from the Pension Fund and are not a cost to the County Council budget. Redundancy payments and the cost of Pension Strain are met by the Authority. Of the costs identified above, £6.5 million has been funded from 2011-12 allocations, leaving £1.8 million to be funded from the current year redundancy contingency.
86. A further Section 188 notice was published on 31 October 2012; the consultation period for this ended on 29 January 2013 and responses are being considered. An estimate based on average costs per redundant post is shown in the table below (the actual level of redundancies has yet to be confirmed and these figures are therefore likely to change).

Table 9 – Estimated Redundancy Costs and Headcount Reduction

Department	Redundancy £'m	Pension Strain £'m	Total £'m	Redundant Headcount (FTE)	Vacant posts (FTE)	Total proposed post reductions (FTE)
PPCS	0.083	0.058	0.141	5.0	2.0	7.0
CFCS	0.446	0.312	0.758	27.0	9.0	36.0
E&R	0.822	0.575	1.397	49.8	71.6	121.4
ASCH & PP	0.583	0.408	0.991	35.3	19.1	54.4
Total	1.934	1.353	3.287	117.1	101.7	218.8

87. Given that the timing difference between the decision and the actual payments being made is likely to cross over financial years, a provision will be set aside in the current year from the 2012/13 redundancy contingency. This is in keeping with previous practice and, as per accounting guidance, will cover the anticipated redundancy costs only, leaving the pension strain to be paid from 2013/14 redundancy contingency. Once final figures are known, the balance of the redundancy budget may be transferred to the redundancy reserve to fund the cost of redundancy in future years.
88. The 2013/14 redundancy contingency has been reduced to £3 million in light of the reduction in the number of redundant posts from this Section 188 and should cover the costs that are charged to 2013/14. If necessary, in year underspends can also be used to fund any balance that remains. Should costs go beyond this, the earmarked redundancy reserve of £3.1 million has not been required to date and could also be used.

Improvement Programme

89. The Improvement Programme was established in February 2010 to support the organisation in meeting a significant and unprecedented budget challenge. Between 2010 and 2013, savings of £180 million needed to be found, of which £70 million would be reinvested in priority services. In addition to supporting the delivery of budget savings, the Programme has also supported improvements in services and helped to drive out inefficiency and target resources, so that the impact of budget reductions on service delivery has been minimised.
90. The medium term financial forecast outlined in this report identifies a further £133 million of savings that need to be realised over the 3 year period 2014/15 – 2016/17. The next phase of the Improvement Programme will play a critical role in helping identify ways in which this target can be delivered, whilst at the same time minimising the impact on service delivery. The future direction of the Improvement Programme was laid out in a report to Policy Committee in October 2012.
91. Transformation boards have been established and are meeting regularly to develop proposals for projects to deliver the savings and efficiencies required to meet this challenge. Further reports will be brought to Policy Committee to update Members on progress.

Review of County Fund Balances & Reserves

92. Central Government have encouraged Local Authorities to utilise reserves during this period of austerity and support their transformation agenda. As such, the Council intends to make use of its reserves to manage its finances over the medium term. This includes accelerating savings where possible to earmark funds in temporary reserves to use the following year to ease pressure in the immediate term. To this end, £3.1 million is budgeted to be put aside in 2012/13 for this purpose and will be drawn down in 2013/14 to help deliver a balanced budget.
93. The 2012/13 budget also provides for a contribution to County Fund Balances of £4.9 million, which would result in a closing balance of £34.6 million. The latest budget monitoring suggests an underspend can be expected by year end. Providing resources allow, it is proposed to use this one off resource to make a £5 million contribution to the capital projects reserve with the balance to be added to the accelerated savings reserve.
94. In addition to this, a thorough review of the Authorities 'Earmarked for Services' reserves has been undertaken. A total of £0.5 million of reserves previously identified as earmarked for specific schemes, are now available to be released to the County Fund.
95. These proposed increases to revenue balances will exceed £8.5 million, which will cover the net withdrawal from County Fund Balances planned for 2013/14 of £8.4 million. Hence the Authority's position will be broadly similar to that at the start of the current financial year.
96. However, the actual level of reserves at the end of the current year will be determined by the financial out-turn, and a revised forecast will be incorporated into the Budget Report to County Council on 28 February.

Medium Term Financial Strategy and Risk Analysis

97. The Council has a "rolling" four-year Medium Term Financial Strategy (MTFS), which is reviewed and updated each year as part of the annual budget process. In November Members were made aware that the budget process for 2013/14 would differ slightly than that of previous years. Whilst the normal planning horizon of 4 years will remain, as there are no new major budget proposals for change in 2013/14, the Council is presenting a one plus three year strategy.
98. In announcing the local government settlement for 2013/14 the government also indicated the level of funding anticipated for 2014/15. The current spending review period will end in 2014/15 and the government indicated that the next review will be completed in spring 2013 which will hopefully confirm the level of formula grant for 2014/15 and set the level for 2015/16.

99. Whilst every effort has been made to identify the financial pressures over the next few years, Members will be aware that the government is still committed to its deficit reduction programme. As mentioned in paragraph 8, the Chancellor indicated in December that further spending reductions are expected over the current planning horizon and this has been estimated in the MTFS.
100. In addition to the government announcements, Members will be aware of the significant changes in local government financing following the enactment of the Local Government Finance Act 2012, with the repatriation of business rates and the localisation of council tax benefit (see section 105) from 1 April 2013. The summation of all these issues is that we are in a period of financial uncertainty, which is of greater significance than the anticipated Spending Review.
101. The budget for 2013/14 has been cash limited, and no general allowance has been included for general price inflation, other than for specific business reasons where inflationary pressures are particularly challenging, and these are included in the committee budget pressures in Appendix A. Given that the prevailing level of inflation continues to exceed the Bank of England's target, inflationary pressures are likely to remain for the foreseeable future. As such, departments will be expected to maintain rigorous spending controls, as they have done in previous years.
102. Given the tight controls over public sector pay, an increase of 1% has been factored into the budget for 2013/14.
103. Other notable risks are as follows:

- Revenue impact of the capital programme

The council has an ambitious capital programme, and over the past 5 years has committed in excess of £250 million of borrowing. Whilst the Council's MTFS covers a 4-year time horizon, the impact of borrowing is felt for up to 40 years and as such it would be imprudent not to consider the longer-term impact of the capital programme. In the medium term, the Council's capital programme can be delivered, particularly given the forecast level of capital receipts (assuming they are delivered) and the application of reserves, as highlighted earlier in this report.

Beyond the Council's current MTFS, borrowing costs are forecast to increase by £5 million per annum by 2019/20. Excluding finance lease costs under PFI schemes, currently borrowing costs represent 7.75% of the Council's net revenue budget, and this increase, coupled with a reduction in funding, is forecast to increase this to over 8.2% by 2013/14, rising steadily to 8.8% by 2017/18.

When the Council set its Prudential Indicators as part of the Budget decision in February last year, it determined that the measure of Affordability (financing costs as a percentage of the net revenue expenditure) would be set at 12.1% by 2014/15. Excluding finance lease costs under PFI schemes the equivalent figure would be 8.2%.

Whilst the level of increase in the capital programme can be funded in the short to medium term, any further increases would need to be factored into future plans regarding spending and taxation as well as set in the context of the Prudential Indicators, in particular Affordability. The Prudential Indicators will be reviewed as part of the Budget decision in February 2013.

- Children's Social Care

The number of looked after children continues to rise. The major cost for these children and young people relates to external and/or specialist placements. The MTFs includes additional funding of £3 million for specialist placements and the Base Budget Review has identified that a further £11.5 million of investment will be required. There is still a risk that costs could continue to rise further.

- Welfare Reform Act 2012

The Welfare Reform Act will introduce a single, Universal Credit from October 2013, replacing existing means-tested benefits paid to people of working age, all tax credits and housing benefit, affecting 4 million Department of Work and Pension's customers, 3.5 million Her Majesty's Revenue & Customs customers and 3.5 million housing benefit customers. At its heart is a simplification of the welfare system and it aims to tackle the problems of poor work incentives and complexity and will provide households with a basic allowance, topped up by additional components for families with children, housing costs, disability and health conditions that limit work, and caring responsibilities. It will be available to people both in and out of work on low incomes replacing Working Tax Credits, Child Tax Credits, Housing Benefit, Income Support, income based Jobseekers and income-related Employment and Support Allowance.

The introduction of Universal Credit will have a range of significant impacts for local authorities. The ultimate goal is that Universal Credit will deliver a fully integrated service which will include labour market and wider support services for those who need it, and 2013 will provide the foundation on which more diverse models will be built. For 2013, there will be a jointly developed national service offering with targeted local flexibility. The face to face model encompasses all Department of Work and Pensions customers who need to use that channel, including those over pension age. The transition period from legacy benefits to Universal Credit is expected to run for four years from October 2013.

These changes should be seen in light of the localising of council tax benefit and the transfer of the administration of Housing Benefits from Local Authorities to the Department for Work and Pensions. Other 'passported' services will be affected by the transition to Universal Credit; such as support for elderly and disabled people; homelessness services; and other non-statutory support offered to Local Authority residents and future Universal Credit claimants, such as debt advisory services; because Local Authorities typically use an award of Housing Benefit as a flag to indicate entitlement to these locally administered benefits and a general concern that the introduction of Universal Credit will reduce the level of payment towards

Local Authority provided services. The level of impact upon local services is hard to determine and there is a risk that costs for social care services will increase.

104. Given the inherent uncertainties described above the need for robust financial planning and management will continue to be a high priority. Consequently, detailed budget monitoring will continue to be important in 2013/14 in order to ensure the budgets are on target. Any slippage in the achievement of the planned savings will need to be addressed as a matter of urgency within the financial year.

Major Developments in Local Government Financing

105. In addition to the risks set out above, there are two major developments in the financing of local government introduced from April 2013, following the enactment of the Local Government Finance Act 2012.

a) Business Rates Retention Scheme

General

- Business rates retention is at the heart of the government's reform agenda and is intended to achieve 2 priorities: economic growth and localism. The proposals are to enable local councils to retain a proportion of their business rate income, with a key intention to enable councils to benefit locally from any increase in business rates as a result of economic development activities.
- It is intended to provide a direct link between business rates growth and the amount of money councils have to spend on local people and local services. As a consequence, Councils will be able to keep a proportion of the business rates revenue as well as growth on the revenue that is generated in their area and will provide a strong financial incentive for councils to promote economic growth.
- At the beginning of the scheme, the government will carry out calculations to ensure that councils with more business rates than their current spending will make a tariff payment to government. Similarly, where councils have greater needs than their business rates income, they will receive a top-up payment from the government. The total sums of these payments will equal each other. The levels of tariff and top-up payments will remain fixed each year, but will increase in line with the Retail Price Index. This situation will not change until the system is reset. The government has said that this will not occur before 2020 at the earliest which will provide councils with the certainty they need to plan and budget.
- In addition, safety net payments will be available if a council's business rates income falls by a certain amount. This will provide support if, for example, a major local employer closes. The Safety Net will see no authority see income fall by more than a set percentage of their original baseline funding level. The government has now announced that the Safety Net percentage would be -7.5% (previously it had provided a range of - 7.5% to -10.0%).

- This safety net will be funded by a levy paid by those councils whose business rates revenue increases by a disproportionate amount compared to their needs. The levy is designed to ensure that the more councils grow their business rates, the more they benefit.
- The proceeds from business rates will be split 50:50, between central and local government. This split is to ensure that the scheme operates within spending control totals, which the government sees as critical to getting the fiscal deficit under control and making the scheme fiscally sustainable in future.
- By sharing business rates in this way, the reward from positive growth, but also the risk from negative growth, will be borne by both central and local government. The central share of business rates will be used by central government in its entirety to fund the local government sector. This will be in the form of Revenue Support Grant. Previously, it was the intention to abolish RSG on the introduction of the business rate retention scheme.
- In addition, the Government announced a number of specific grants that it intends to roll into mainstream funding via the RSG, including Council Tax Support Grant, Early Intervention Grant and New Homes Bonus.
- In two-tier areas, the local share of business rate receipts will be split 80:20 (to lower and upper tiers respectively). Where county councils such as Nottinghamshire do not have fire and rescue service responsibilities, they will receive 18% of the local share, with the remaining 2% going to single purpose fire and rescue authorities.

Pooling

- As part of the rates retention scheme, local authorities will be able to pool their business rates, giving them scope to potentially generate additional growth through collaborative effort, and to smooth the impact of volatility in rates income across a wider economic area.
- Pooling effectively combines the tariffs/top ups of individual authorities within the pooling area and treats the area as a single authority (although individual authorities would still be notified of their tariffs/top ups). A single levy rate applies to the sum of the pool's income and growth levels. Similarly, safety net eligibility is also calculated at aggregate pool level.
- However due to the way the system is designed, any council receiving a top-up, such as Nottinghamshire County Council, will never pay a levy. This also has the advantage of offsetting the levy that would otherwise be paid by the District Councils, and therefore this amount is retained within the pool, and can be redistributed to the participating authorities on a basis that they agree between them.

- During 2012 the County Council and the 7 District Councils assessed the potential risks, benefits and governance arrangements to forming a Nottinghamshire Pool and submitted a successful bid to forming a Pool to the DCLG. The pooling area covers Nottinghamshire County, being the two-tier area comprising the County Council and the District Councils of Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood and Rushcliffe. The pool builds on the already strong and well-established service relationships, with the overall aim of growing the local economy. Specifically, opportunities will be exploited to enhance the pool through links to wider funding sources such as the D2N2 LEP's Growing Places Funding and potentially, European Funding where that exists. This will allow the partners to prioritise activity that increases the competitiveness of the area and stimulates private sector economic growth. It will also allow for the planning of economic growth across the functional economic area covered by the pool rather than being constricted by local authority administrative boundaries.
- Based on the latest available estimate information and assumptions, this benefit of establishing the Nottinghamshire Pool could range from between £3.5million to £10.1million (with the County Council's share ranging from £1.4million to £4.2million) over the next five years.
- Whilst there are also financial risks associated with pooling, it is anticipated that the costs would not be expected to be excessive and it would take a very significant reduction overall in business rate income to offset the potential benefits. Any financial risk is also mitigated by the fact that the pool could be dissolved after one year if it was found that the perceived benefits did not materialise. Authorities would then simply revert to being treated individually in terms of business rates income.

b) Localising Support for Council Tax in England

- This is part of the wider set of reforms to the welfare system; improving incentives to work and ensuring resources are used more effectively, so reducing worklessness and ending a culture of benefit dependency. Localisation is part of a policy of decentralisation that will give local authorities increase financial freedoms and a greater stake in ensuring local tax payers are supported into work and how resources are used to achieve that. It is one of a number of reforms introduced by the Government to increase local financial accountability and decision-making, ensuring that councils benefit from the proceeds of growth and are accountable for decisions over council tax.
- Under the Act, Billing authorities (Districts/Unitaries) will be responsible for designing a scheme based on their funding allocation and potential caseload. The scheme will include different categories of claimants and levels of support. However, the Secretary of State has the power to prescribe categories and there level of support such as in the case of pensioners. Each Billing authority has to determine its scheme by the 31 January 2013.

- The funding for 2013/14 has been transferred to local authorities and included in the new business rates/RSG funding regime. For the County Council £37.9 million funding was provided.
- In November 2012 the Secretary of State announced that The Department for Communities and Local Government was making available an additional £100 million for 1 year to support those local authorities in developing well-designed council tax support schemes and maintain positive incentives to work. The grant will be payable in March 2013 to those authorities who adopt schemes that must comply with criteria set by Government to ensure that low income households do not face an extensive increase in their council tax liability in 2013 to 2014. This funding will enable councils to explore more sustainable approaches to managing the funding reduction that minimise the impact on vulnerable taxpayers. The level of grant for the County Council will be dependent upon the schemes devised by the Nottinghamshire District Councils.

Policy Development – Community Budgets

106. In addition to the above, there is another major policy development that will potentially have far reaching financial implications for all local authorities.
107. Community Budgets are a new way for local public service providers to work together to meet local needs. Community Budgets allow providers of public services to share budgets, improving outcomes for local people and reducing duplication and waste and reflects an ambition in local government to strengthen the local democratic accountability for public services, improve the outcomes for local people, families and communities, and to maximise the value for money of public spending.
108. With Councils taking a lead role, Community Budgeting – whole place, neighbourhood and troubled families - is a concept that gives local public service partners the freedom to work together to redesign services around the needs of citizens reducing the fragmentation and complexity of local public services faced by citizens, improving outcomes, reducing duplication and waste.
109. Successful Community Budgeting enables an area to deliver better service to residents because it can:
 - make better use of its resources, including pooling and aligning the budgets of all agencies where it is effective to do so, including local knowledge, community assets and voluntary effort
 - remove central rules and regulations so local professionals can deliver better services by redesigning them so delivery is more effective for residents
 - give people greater control over their local public services

- establish appropriate local partnership and governance arrangements to create a unified approach that suits their area.
110. The solutions do not lie with councils alone but require coordination and cooperation across the public sector. An advanced form of partnership is required to redefine the way services work together and help break down barriers at a local level by moving away from a system where funding is fragmented across separate agencies.
111. Sixteen first-phase Community Budgets for families with multiple problems were announced in April 2011 as part of the effort to help turn round the lives of at least 10,000 families over 4 years. Following consultation, 2 further types of budget pilots were announced on 21 December 2011. If proven successful there is an incentive to increase the number and scope of Community Budgets.
112. The financial implication of these changes will become clearer over the coming months and updates will be provided to Members as soon as practicable.

Council Tax Leaflet 2013/14

113. The County Council considers that supplying information directly to citizens is a key way of informing them of the performance of the County Council. The public has growing expectations for the quality of public services, and expects value for money, both from central and local government. Giving people information on their council's efficiency will enable them to understand what it is doing to improve value for money – and challenge the Council to do better if necessary.
114. The Government introduced Regulations that require councils to include information about efficiency performance on the face of the Council Tax demand, and in the leaflets that accompany demand notices.
115. Not all Nottinghamshire residents have access to the internet and although regulations have changed enabling councils to publish such information electronically, as in previous years the County Council will be producing and sending information to all council tax payers in Nottinghamshire regarding the budget for 2013/14. The County Council believes it is important that all council tax payers understand the services the County Council provides, understand where there County Council's money comes from and where it is spent, together with knowing where the County Council is investing their money.

Council Tax 2013/14

116. On the basis of the above proposals a Band D Council Tax of £1,193.18 would be required in 2013/14, which represents a freeze on the Council Tax for the fourth year in a row. The tax rates for each of the property Bands are shown below:

Table 10 – Proposed Council Tax Levels for 2013/14

Band	Proposed 2013/14 Council Tax
A	795.45
B	928.03
C	1,060.60
D	1,193.18
E	1,458.33
F	1,723.48
G	1,988.63
H	2,386.36

Statutory and Policy Implications

117. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That a report be prepared for County Council on 28 February 2013 based on the budget proposals and Council Tax freeze referred to in this report.

**COUNCILLOR KAY CUTTS
LEADER
COMMITTEE**

**COUNCILLOR REG ADAIR
CHAIRMAN OF FINANCE AND PROPERTY**

For any enquiries about this report please contact:

**Paul Simpson
Service Director – Finance & Procurement**

Constitutional Comments

Policy Committee has the authority to make recommendations to the Council regarding the Budget. Authority to approve the final budget and Medium Term Financial Strategy is reserved to full Council.

Financial Comments (PDS 24/01/2013)

The financial implications are set out in the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

Consultation responses.

Initial Budget and Capital Programme Proposals report to Finance & Property Committee, 12 November 2012

Electoral Division(s) and Member(s) Affected

All

Appendix A

Summary of Departmental Cost Pressures

	2013/14	2014/15	2015/16	2016/17	TOTAL
	£'000	£'000	£'000	£'000	£'000
<u>Children & Young People's Services</u>					
Children's Social Care	11,179	3,097	0	0	14,276
Building Schools for the Future Alternatives	3,000	0	0	0	3,000
Priority School Building Programme	200	0	0	0	200
Bassetlaw PFI Inflation	(257)	141	148	0	32
School Transport (Manifesto pledge)	300	400	300	300	1,300
Schools Funding	2,000	0	(2,000)	0	0
	16,422	3,638	(1,552)	300	18,808
<u>Adult Social Care & Health</u>					
Demand led - Mental Health & Learning Disability	5,100	6,100	6,100	6,100	23,400
Demand led - Older People Demographics	2,500	2,500	2,500	2,500	10,000
Demand led - Physical Disability	1,300	1,300	1,300	1,300	5,200
Adult Commissioning Costs	9,000	0	0	0	9,000
	17,900	9,900	9,900	9,900	47,600
<u>Transport & Highways</u>					
Increased Highway maintenance and inflation	500	500	500	500	2,000
Concessionary Travel	525	551	579	579	2,234
Increased Highway income	(200)	(200)	0	0	(400)
Local bus & Schools inflation	476	490	505	505	1,976
Mansfield & Newark Bus Stations	0	100	0	0	100
Manage & Operate Partnerships transfer	(500)	0	0	0	(500)
	801	1,441	1,584	1,584	5,410
<u>Environment & Sustainability</u>					
Waste Disposal Landfill tax Escalator	0	1,300	0	0	1,300
Waste PFI	0	1,000	0	0	1,000
	0	2,300	0	0	2,300
<u>Culture</u>					
Sport England - Holme Pierrepont (NWSC)	500	0	0	0	500
	500	0	0	0	500
<u>Policy</u>					
Ways of Working	(2,000)	(500)	0	0	(2,500)
Grant Aid	0	(225)	(225)	0	(450)
Election	1,200	(1,200)	0	0	0
	(800)	(1,925)	(225)	0	(2,950)
<u>Finance & Property</u>					
Implications of Base Budget Review	1,000	0	0	0	1,000
	1,000	0	0	0	1,000
Total Pressures	35,823	15,354	9,707	11,784	72,668

Appendix B

Summary of Revised Budget & Efficiency Savings

Business Case Title	2013/14 Achievable £000	2014/15 Achievable £000	Total £000
CHILDREN & YOUNG PEOPLE COMMITTEE			
Youth Support Service's delivery and management structure	(186)	(37)	(223)
Connexions	0	25	25
Youth Offending Service Cost Reduction Programme	(30)	(1)	(31)
Ethnicity Culture and Achievement Service	(13)	(13)	(26)
Enrichment Services - full cost recovery	(153)	(35)	(188)
Inclusion Services Remodelling	(62)	(63)	(125)
School Improvement Service – Remodelling	(45)	(67)	(112)
Premature Retirement Compensation Costs for Schools-natural wastage	0	(25)	(25)
Sure Start Early Years and Childcare Grant	(1,000)	(1,000)	(2,000)
Social Care Fieldwork Services	(204)	(406)	(610)
CYP Business Support Services Review	600	0	600
Disestablish Extended Services Team, Restructure Play Function	(255)	0	(255)
Reduction to Connexions Funding	(222)	0	(222)
Reduction in Department overheads	(100)	0	(100)
EIG and Former Area Based Grant monies	(20)	0	(20)
TOTAL CHILDREN & YOUNG PEOPLE COMMITTEE	(1,690)	(1,622)	(3,312)
ADULT SOCIAL CARE & HEALTH COMMITTEE			
Increased income through increased charges	(26)	0	(26)
Day Services	(2,673)	(590)	(3,263)
Living at Home	128	(2,354)	(2,226)
Interagency planning and commissioning - linkage efficiencies	(256)	(296)	(552)
Notts 50+ (Early Intervention and Prevention)	(15)	0	(15)
Learning Disability & Mental Health Community Care	(1,281)	(1,281)	(2,562)
Adult Placement Scheme	(38)	(38)	(76)
Learning Disability commissioning	(150)	(11)	(161)
Reduce spend on Supporting People	(1,100)	(2,400)	(3,500)
Learning Disability Short Breaks	(81)	0	(81)
Service Organisers (Centralise teams)	(150)	0	(150)
Reablement for Younger Adults with Physical Disability	(150)	0	(150)
Assistive Technology	(125)	0	(125)
Redesign of Home Based Services	0	(865)	(865)
Locality Savings	(150)	0	(150)
Shared Lives	(300)	0	(300)
Sherwood Industries	(250)	0	(250)
ADULT & SOCIAL CARE TOTAL	(6,617)	(7,835)	(14,452)
TRANSPORT AND HIGHWAYS COMMITTEE			
Fleet Consolidation (Shared Transport Centre) - Travel Efficiencies	(100)	(75)	(175)
Street Lighting: Energy cost savings and reduced maintenance	(184)	(144)	(328)
Maximise Highways income and recharges	0	(88)	(88)
Highways Service Redesign - Structure Review & Increased Efficiencies	(304)	(149)	(453)

Part-night street lighting, reduced Robin Hood line funding	(40)	0	(40)
Efficiency savings through the reconfiguration of transport service	(100)	0	(100)
TOTAL TRANSPORT AND HIGHWAYS COMMITTEE	(728)	(456)	(1,184)

Business Case Title	2013/14 Achievable £000	2014/15 Achievable £000	Total £000
COMMUNITY SAFETY COMMITTEE			
Registration Service - Maximising Income Opportunities and Cessation of Security Guard	(98)	(98)	(196)
TOTAL COMMUNITY SAFETY COMMITTEE	(98)	(98)	(196)
CULTURE COMMITTEE			
Libraries & Archives	(216)	0	(216)
Sports & Arts	(115)	0	(115)
Country Parks & Green Estate (Car Park income & opening hours)	(50)	0	(50)
Country Parks & Green Estate (Orangery development)	(55)	0	(55)
TOTAL CULTURE COMMITTEE	(436)	0	(436)
POLICY COMMITTEE			
Shared Legal Services with other public bodies	(11)	0	(11)
Legal Services – process efficiency and work reduction	(50)	0	(50)
Legal Services – managing demand reduction	(38)	0	(38)
Customer Services	(281)	0	(281)
Procurement and Contracts	0	(1,000)	(1,000)
Staffing Restructure	(173)	0	(173)
Ways of Working Operational savings	(350)	0	(350)
TOTAL POLICY COMMITTEE	(903)	(1,000)	(1,903)
FINANCE & PROPERTY COMMITTEE			
Finance Reduced Capacity	(29)	0	(29)
Vertical review staffing	(339)	(591)	(930)
Vertical review ISP and connectivity rationalisation	(150)	(180)	(330)
Vertical review Apps rationalisation	(50)	(190)	(240)
Vertical review desktop strategy	(50)	(100)	(150)
Reduction in strategic function	(381)	0	(381)
Property Planned Maintenance reduction	(200)	0	(200)
Reduction in Finance capacity by the deletion of further posts	(76)	0	(76)
TOTAL FINANCE & PROPERTY COMMITTEE	(1,275)	(1,061)	(2,336)
PERSONNEL COMMITTEE			
Learning & Development	(10)	0	(10)
TOTAL PERSONNEL COMMITTEE	(10)	0	(10)
HORIZONTAL SAVINGS	(1,717)	(700)	(2,417)
GRAND TOTAL	(13,474)	(12,772)	(26,246)

**REPORT OF CORPORATE DIRECTOR,
POLICY, PLANNING AND CORPORATE SERVICES****DRAFT POLICE AND CRIME PLAN 2013-2018****Purpose of the Report**

1. To draw the attention of Members to the draft Police and Crime Plan and seek any comments they may wish to make as part of the consultation process being undertaken by the office of the Police and Crime Commissioner.

Information and Advice

2. The Police and Crime Commissioner is required to produce a five year Police and Crime Plan for Nottinghamshire, which must be published no later than 31st March 2013. This plan is currently in draft form and the subject of a consultation process which ends on 15th February. Nottinghamshire County Council, as a statutory partner with responsibility for community safety, is being consulted as part of the process.
3. The draft Police and Crime Plan has seven strategic priority themes:
 - Protect, support and respond to victims, witnesses and vulnerable people
 - Improve the efficiency, accessibility and effectiveness of the criminal justice process
 - Focus on those local areas that are most affected by crime and anti-social behaviour
 - Reduce the impact of drugs and alcohol on levels of crime and anti-social behaviour
 - Reduce the threat from organised crime
 - Prevention, early intervention and reduction in re-offending
 - Spending money wisely
4. Each of the seven strategic priority themes has a number of key activities, which will be undertaken by a range of partners, including the County Council.
5. The seven strategic priority themes fit with the strategic priorities of the County Council and Safer Nottinghamshire Board and offer opportunities to further enhance our work in several key areas. An example of this would include the

work the County Council currently undertakes to improve community safety within Nottinghamshire, which remains the primary concern of residents, to reduce:

- anti-social behaviour
 - domestic violence
 - hate crime
 - town centre violence
 - substance misuse (especially alcohol)
 - youth crime
6. The draft Plan also promotes a “locality focussed” approach to tackling the issues of crime, disorder and anti-social behaviour. The same approach was adopted by the Safer Nottinghamshire Board in 2012/13, in identifying 15 areas of the County where crime was high and by targeting actions and funding to reduce crime and anti-social behaviour levels. To date, this approach has been extremely successful with crime rates in these 15 areas falling by 21% and anti-social behaviour by 33%. The Safer Nottinghamshire Board will be seeking to repeat this approach for 2013/14, which will link with the proposals in the draft Plan.
7. In light of the above, it is suggested that no comments are made on the Plan by this Council.

Other Options Considered

8. None.

Reason/s for Recommendation/s

9. To draw the attention of Members to the Police and Crime Plan and to seek any comments they may wish to make as part of the consultation process.

Statutory and Policy Implications

10. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Recommendation

11. It is recommended that:
- i) Members note the content of the draft Plan and agree any response they wish to make to the office of the Police and Crime Commissioner by the 15th February 2013.

Jayne Francis Ward, Corporate Director, Policy, Planning and Corporate Services

For any enquiries about this report please contact: Chris Walker, Temporary Group Manager, Safer and Engaged Communities, x 72460 or Tony Shardlow, Community Safety Officer, Safer and Engaged Communities x 73846.

Background Papers

12. Draft Police and Crime Plan 2013-2018

Electoral Division(s) and Member(s) Affected

13. All.



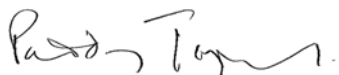
The word cloud features the following terms, with sizes corresponding to their frequency or importance:

- Central/High-Frequency Words:** Safer Nottinghamshire, Citizens, Victims, Commissioner, Peoples', Improved trust and confidence, Quality, Domestic violence, Safer Nottingham, Safer communities, Vulnerable People, Value for Money, Anti-social behaviour, Better use of resources, Reduced crime, Fairer treatment, Criminal Justice, Hate Crime, Reduce Crime, Transparency, Inclusive, Page 61 of 102.
- Medium-Frequency Words:** Openness, Effectiveness, Respond, Accountability, Community Safety, Violence, Local areas needs, Partnerships, Empowering through engagement, Listening, Road Safety, Drugs, Alcohol, Cyber crime, Intervention, Manage risks, Drug testing, Repeat victims, Visibility, Representative, Community payback, Zero tolerance, Young victims, Representative workforce, Witnesses, Prevent, Restorative Justice, Natural environment, Protect, Harm, Criminal damage, Respect, Collaboration, Victim Support, Night time levy, Hate Crime, Vehicle crime, Burglary, Gang and youth violence, Criminal Justice, Crime, Hate Crime, Vehicle crime, Burglary, Gang and youth violence, Criminal Justice.
- Low-Frequency Words:** Repeat victims, Community payback, Zero tolerance, Young victims, Representative workforce, Witnesses, Prevent, Restorative Justice, Natural environment, Protect, Harm, Criminal damage, Respect, Collaboration, Victim Support, Night time levy, Hate Crime, Vehicle crime, Burglary, Gang and youth violence, Criminal Justice, Crime, Hate Crime, Vehicle crime, Burglary, Gang and youth violence, Criminal Justice.

Foreword



**Nottinghamshire's Police and
Crime Commissioner: Paddy
Tipping**



**Nottinghamshire's Deputy Police
and Crime Commissioner: Chris
Cutland**



Welcome to the Summary of Nottinghamshire's first Police and Crime Plan, which explains the key strategic priorities for action over the next five years for policing and crime in Nottingham and Nottinghamshire.

On 15 November 2012, Nottinghamshire had its election for the first Police and Crime Commissioner. The Deputy Commissioner and I are absolutely determined, to speak up for you with a strong voice through working with partners across community safety and criminal justice services, to address the policing and crime issues facing victims and citizens of Nottingham and Nottinghamshire, my pledges are to:

- Campaign against Government funding cuts to Nottinghamshire's Police budget.
- Improve Community Policing across Nottinghamshire by taking on 150 extra Police Officers and 100 Police Community Support Officer's.
- Work in partnership to reduce anti-social behavior by 50%.
- Give extra priority and resources to domestic violence and crimes against girls and women.
- Ensure that the victims of crime are treated as people, not cases, and will properly fund Victim Support.
- Be fair, honest and will protect tax-payers money.

We will be work with the Chief Constable and other partners, and particularly the Police and Crime Panel to deliver and improve the performance of policing Nottinghamshire, to cut crime and anti-social behaviour and to continue to build trust and confidence in policing.

As the Police and Crime Commissioner, I want to be known as **"The Peoples' Commissioner"**. We police by consent in this country and I will serve by consent. We want your support to make this happen.

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- **Approach & Principles**
- **Strategic Framework**
- **Vision & Pledges**
- **Core Values**
- **Strategic Priority Themes**
- **Next Stages**



Nottinghamshire
**POLICE & CRIME
COMMISSIONER**



Nottinghamshire Police & Crime Commissioner

Approach & Principles



Approach

The development and preparation of the Plan has been based on:

- The Commissioner's Manifesto commitments.
- Strategic futures scanning on national, regional and local issues utilising political, economic, social, technological, environmental, legal and organizational (PESTELO) analysis.
- Community consultation and engagement analysis covering victim and community consultation, surveys, forums, focus groups and neighbourhood meetings.
- Joint Partnership Strategic Assessment from the Force and community safety and criminal justice partnerships' analysis of current and emerging intelligence and performance threats and opportunities.
- Analysis from inspections, audits and reviews.
- Analysis of performance data and progress against the current Chief Constable's Policing Plan.
- Analysis of Force resources, budgets and crime and policing grants.

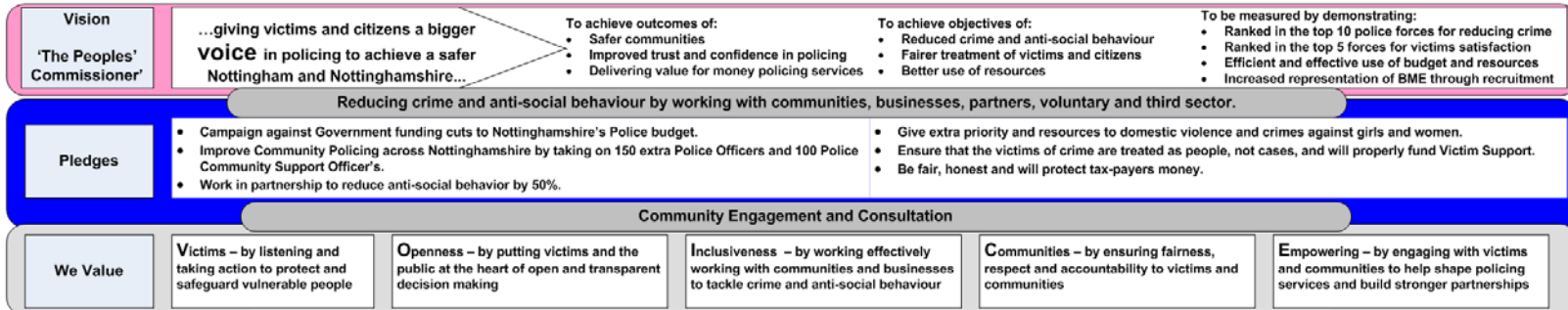
Principles

- Victims being at the heart of decision making.
- Smart commissioning.
- Local delivery.
- Transparency and engagement.
- Outcomes focused.
- Working in partnership.

Strategic Framework

Building Social Capital

Police and Crime Plan 2013-2018



Strategic Themes and Key activities for the Delivery Plan

Protect, support and respond to victims, witnesses and vulnerable people	Improve the efficiency, accessibility and effectiveness of the criminal justice process	Focus on those local areas that are most affected by crime and anti-social behaviour	Reduce the impact of drugs and alcohol on levels of crime and anti-social behaviour	Reduce the threat from organised crime	Prevention, early intervention and reduction in re-offending	Spending your money wisely
C Develop a 'Victims Strategy' and Commissioning Framework based upon evidence of need. C Work with 'Victim Support' to secure funding for Anti-Social Behaviour Case Workers. C Improve support to young victims of crime. C Through better understanding, protect and reduce violence to young women and girls in gangs. C Protect, support and respond to repeat victims of domestic abuse, especially high and medium risk. C Protect and support victims of sexual violence. C Improve BME experience of policing through better engagement and being more responsive to needs. F Working in partnership with other organisations to focus on hate crime. F Ensure Stop and Search transparency and proportionality. F Ensure the police workforce continues to respect and represents the communities it serves. P Promote and develop opportunities for local communities, individuals and businesses to work together to reduce crime. P Improve witnesses and victims experience and participation levels in the Criminal Justice system by removing barriers.	C The Commissioner will work with Criminal Justice Partners to agree ways in which the Criminal Justice System can be more accessible to all communities. C Monitor the effectiveness of the Youth Justice and Criminal Justice System, including timeliness and compliance with national standards on sentencing decisions. F Improve the timeliness and quality of case files. F Digitalise the way case files are produced and transferred. P Improve the effectiveness and support of victims and witnesses going through the Criminal Justice System. P Ensure that all agencies deal fairly with offenders from all backgrounds. P Promote and align community payback with local neighbourhood priorities to improve the local environment. P Develop opportunities to involve victims of anti-social behaviour and crime in neighbourhood justice. P Providing public information on the sentencing and names of offenders.	C Combat crime and create safe public open spaces, such as the Forest Recreation in the City. C Explore the benefits and evidence for creating safer school routes. C Improve public transport safety and introduce with partners a safer Cab Scheme. C Continue to support partnership working on high impact neighbourhoods across the City and the County. C Work with partners to protect local natural environments from issues of trespass and damage and reduce rural crime of theft and improve cross border working. F Zero tolerance to violence. F Work with partners to achieve a safe and secure night time economy for the City and other towns. F Work with social landlords, private landlords and other partners in combating anti-social behaviour. F Reduce crime by designing out opportunities in residential, business and commercial developments. F Improve the continuity of police officers to achieve sustainable workforce planning for neighbourhood policing and other specialist policing services.	C Better alignment of partnership budgets to reduce alcohol and drug misuse. C Work to ensure that alcohol is a strategic and resource priority for all partners. C Work with local authorities to create safer night time economy. F Continue to provide drug testing, assessment and wrap around support for drug misusing offenders. P Improve drug and alcohol treatment and assessment in custody, prisons and the community. P Increase the use of Civil and Criminal Enforcement remedies to manage the impact of excessive drinking. P Develop interventions to prevent and tackle 'illegal highs' to address the impact on violent crime. P Ensure the robust enforcement of licensing conditions of pubs and clubs causing the most concerns. P Consider and explore the benefits of family drug and alcohol courts.	C Work in partnership to manage the national threat assessment and meet the Strategic Policing Requirement (cyber crime, terrorism, public order, and civil emergencies). C Encourage greater regional collaboration between Forces for crime, criminal justice and operational support. C Support the Ending Gang Partnership programme and enhance community involvement. C Promote activities to build active communities to improve relationships and community cohesion. F Co-operate and share information across force boundaries to manage risks and threats. F Pursue criminals through the courts to confiscate and seize assets to ensure no one profits from crime. F Ensure neighbourhoods are free from organised crime. F Proactively investigate and manage individuals involved in the sexual exploitation of women and children. F Deter and prevent the use of the roads by criminals through ANPR and reduce the number of people who are seriously injured or killed on the roads.	C Work in partnership to address the mental health needs of offenders and the impact of substance misuse and alcohol. C Provide positive activities for young people at most risk of getting involved in offending and anti-social behaviour. F Reduce re-offending and deter the number of persistent and problematic offenders through robust offender management (statutory and non-statutory), in addition to proactively managing dangerous offenders, perpetrators of domestic abuse and individuals involved in shoplifting. P Actively manage through MAPPA dangerous sex and violent offenders to reduce the threat to communities. P Expand the use of restorative justice by partners and roll out the new conditional Youth Cautions Scheme. P Intervene early and provide support to complex and priority troubled families. P Devote resources through co-location and shared services such as: AURORA, Targeted Youth Support, MASH, Local anti-social behaviour and Offender Management Teams.	C Create a partnership fund and provide resources to local communities to help resolve local problems and concerns. C Build resource allocation for policing from zero based budgets to improve value for money. C Achieve greater financial savings from existing regional collaboration. C Review the policing estate and custody arrangements in Worksoop and the north of the County. C Build sustainability into policing and reduce the carbon footprint and improve energy management. C Recruit more volunteers, including cadets, Parish Constables, Specials, Neighbourhood Watch and 'Mystery Shoppers' to support of the work of the Commissioner. F Invest in police leadership and the development of sergeants and inspectors. F Improve the recruitment, retention and progression for BME and other officers and staff to reflect the local community. F Improve attendance by reducing sickness and stress related absence of police officers and police staff. F Redesign the Police workforce and expand the use of civilian investigators.

Balanced Scorecard / MTFP (Savings Programme)

<ul style="list-style-type: none"> • Satisfaction of victims with the service they have received. • Percentage of people who agree that the Police and Council are dealing with local anti-social behaviour and other crime issues. • Reduce the number of repeat victims of domestic violence, anti-social behaviour and hate crime. 	<ul style="list-style-type: none"> • Improve file quality and timeliness. • Improve the effectiveness of trials. 	<ul style="list-style-type: none"> • Reduction in All Crime across the Force. • A 50 per cent reduction in anti-social behaviour incidents across the Force. • Increase in positive outcomes of recorded offences. 	<ul style="list-style-type: none"> • Reduction in theft and violence where substance misuse is a contributing factor. • Successful treatment outcomes for IOM (Integrated Offender Management) offenders. 	<ul style="list-style-type: none"> • Reduction of Killed or Seriously Injured (KSIs) on Nottinghamshire's roads. • Increase in the number of Proceeds of Crime Act (POCA) confiscation and forfeiture orders. • Reduce the Force threat, harm and risk assessment. 	<ul style="list-style-type: none"> • A continued reduction in First Time Entrants (FTEs) into the Youth Justice System. • Reduce the number of prolific offenders from re-offending. 	<ul style="list-style-type: none"> • Confirmed efficiencies. • Overall spend v budget. • Sickness data for all staff. • BME recruitment, retention and progression for BME officers and staff to reflect the local community.
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Key for activities: C for the Commissioner, F for the Force, P for Partners

Delivering good governance

Principle 1:
Focusing on the purpose of the PCC and the Force, and on outcomes for the community, and creating and implementing a vision for the local area

Principle 2:
Leaders, officers and partners working together to achieve a common purpose with clearly defined functions and roles.

Principle 3:
Promoting values for the PCC and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Principle 4:
Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.

Principle 5:
Developing the capacity and capability of the PCC, officers of the PCC and the Force to be effective.

Principle 6:
Engaging with local people and other stakeholders to ensure robust public accountability.

Vision & Pledges



“The Peoples’ Commissioner” – by giving victims and citizens a bigger voice in policing to achieve a safer Nottingham and Nottinghamshire.

Pledges from the Commissioner’s Manifesto:

- Campaign against Government funding cuts to Nottinghamshire’s Police budget.
- Improve Community Policing across Nottinghamshire by taking on 150 extra Police Officers and 100 Police Community Support Officer’s.
- Work in partnership to reduce anti-social behaviour by 50%.
- Give extra priority and resources to domestic violence and crimes against girls and women.
- Ensure that the victims of crime are treated as people, not cases, and properly fund Victim Support.
- Be fair, honest and protect tax-payers money.

The Commissioner has also signed up to the key partnership pledges, charters and priorities which include:

- Victims Support Pledges.
- Youth Charter.
- RSPCA Animal Welfare Charter.

Core Values



The Commissioner has developed **core values** to help define the things that are important in the way we work and the way we interact to deliver the Plan. The vision is about '**what we do**' and the values are about '**how we do it**', which the Commissioner is clear through providing a bigger **voice** in policing through:

- **Victims** by listening and taking action to protect and safeguard vulnerable people.
- **Openness** by putting victims and the public at the heart of open and transparent decision-making.
- **Inclusiveness** by working effectively with communities and businesses to tackle crime and anti-social behaviour.
- **Communities** by ensuring fairness, respect and accountability to victims and communities.
- **Empowering** by engaging with victims and communities to help shape policing services and build stronger partnerships.

The core values underpin our approach and we are developing a framework that describes the behaviours and standards which include:

- Working and co-operating with partner organisations in developing and implementing local crime and disorder strategies.
- Engaging and consulting with the public, victims of crime and businesses.
- Ensuring resources to support the Strategic Policing Requirement to address national risks, harm and threats.
- Having regard to the safeguarding of children and vulnerable adults, promoting the welfare of children and equality and diversity.
- Co-operating with local criminal justice bodies to provide efficient and effective criminal justice services.
- Developing a corporate social responsibility approach to environmental sustainability.

Outcomes, objectives & measures



To achieve **outcomes** of:

- Safer communities.
- Improved trust and confidence in policing.
- Delivering value for money policing services.

To achieve **objectives** of:

- Reduced crime and anti-social behaviour.
- Fairer treatment of victims and citizens.
- Better use of resources.

To be **measured** by demonstrating being:

- Ranked in the top ten police forces for reducing crime.
- Ranked in the top five forces for victim satisfaction.
- Efficient and effective use of budgets and resources.
- Increased representation of black and ethnic minorities (BME) through recruitment.

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Strategic Priority Themes



In deciding the priorities for policing and crime the Commissioner has taken account of the findings of the national, regional, local landscape, consultation with victims and communities and the Joint Partnership Strategic Assessment, which together have identified the following seven strategic priority themes:

- Protect support and respond to victims, witnesses and vulnerable people.
- Improve the efficiency, accessibility and effectiveness of the criminal justice process.
- Focus on those local areas that are most affected by crime and anti-social behaviour.
- Reduce the impact of drugs and alcohol on levels of crime and anti-social behaviour.
- Reduce the threat from organised crime.
- Prevention, early intervention and reduction in re-offending.
- Spending your money wisely.

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Strategic Priority 1

Protect support and respond to victims, witnesses and vulnerable people.

- Develop a Victims' Strategy and Commissioning Framework based upon evidence of need.
- Work with 'Victim Support' to secure funding for Anti-Social Behaviour Case Workers.
- Improve support to young victims of crime.
- Through a better understanding, protect and reduce violence to young women and girls in gangs.
- Protect, support and respond to repeat victims of domestic abuse, especially high and medium risk and sexual violence.
- Improve BME experience of policing through better engagement and being more responsive to needs.
- Working in partnership with other organisations to focus on hate crime.
- Ensure Stop and Search transparency and proportionality.
- Ensure the police workforce continues to respect and represents the communities it serves.
- Promote and develop opportunities for local communities, individuals and businesses to work together to reduce crime.
- Improve witnesses and victims experience and participation levels in the Criminal Justice system by removing barriers.

Key Performance Measures:

- Satisfaction of victims with the service they have received.
- Percentage of people who agree that the Police and Council are dealing with local anti-social behaviour and other crime issues.
- Reduce the number of repeat victims of domestic violence, anti-social behaviour and hate crime.

Strategic Priority 2

Improve the efficiency, accessibility and effectiveness of the criminal justice process.

- The Commissioner will work with Criminal Justice Partners to agree ways in which the Criminal Justice System can be more accessible to all communities.
- Monitor the effectiveness of the Youth Justice and Criminal Justice System, including timeliness and compliance with national standards on sentencing decisions.
- Improve the timeliness and quality of case files.
- Digitalise the way case files are produced and transferred.
- Improve the effectiveness and support of victims and witnesses going through the Criminal Justice System.
- Ensure that all agencies deal fairly with offenders from all backgrounds.
- Promote and align community payback with local neighbourhood priorities to improve the local environment.
- Develop opportunities to involve victims of anti-social behaviour and crime in neighbourhood justice.
- Providing public information on the sentencing and names of offenders.

Key Performance Measures:

- Improve file quality and timeliness.
- Improve the effectiveness of trials.

Strategic Priority 3

Focus on those local areas that are most affected by crime and anti-social behaviour.

- Combat crime and create safe public open spaces, such as the Forest Recreation in the City.
- Explore the benefits and evidence for creating safer school routes.
- Improve public transport safety and introduce with partners a safer Cab Scheme.
- Continue to support partnership working on high impact neighbourhoods across the City and partnership priority areas across the County.
- Work with partners to protect local natural environments from issues of trespass and damage and reduce rural crime of theft and improve cross border working.
- Zero tolerance to violence.
- Work with partners to achieve a safe and secure night time economy for the City and other towns.
- Work with social landlords, private landlords and other partners in combating anti-social behaviour.
- Reduce crime by designing out opportunities in residential, business and commercial developments.
- Improve the continuity of police officers to achieve sustainable workforce planning for neighbourhood policing and other specialist policing services.

Key Performance Measures:

- Reduction in All Crime across the Force.
- A 50 per cent reduction in anti-social behaviour incidents across the Force.
- Increase in positive outcomes of recorded offences.

Strategic Priority 4

Reduce the impact of drugs and alcohol on levels of crime and anti-social behaviour.

- Better alignment of partnership budgets to reduce alcohol and drug misuse.
- Work to ensure that alcohol is a strategic and resource priority for all partners.
- Encourage local authorities to implement the late night levy.
- Continue to provide drug testing, assessment and wrap around support for drug misusing offenders.
- Improve drug and alcohol treatment and assessment in custody, prisons and the community.
- Increase the use of Civil and Criminal Enforcement remedies to manage the impact of excessive drinking.
- Develop interventions to prevent and tackle 'illegal highs' to address the impact on violent crime.
- Ensure the robust enforcement of licensing conditions of pubs and clubs causing the most concerns.
- Consider and explore the benefits of family drug and alcohol courts.

Key Performance Measures:

- Reduction in theft and violence where substance misuse is a contributing factor.
- Successful treatment outcomes for IOM (Integrated Offender Management) offenders.

Strategic Priority 5

Reduce the threat from organised crime.

- Work in partnership to manage the national threat assessment and meet the Strategic Policing Requirement (cyber crime, terrorism, public order, and civil emergencies).
- Encourage greater regional collaboration between Forces for crime, criminal justice and operational support.
- Support the Ending Gang Partnership programme and enhance community involvement.
- Promote activities to build active communities to improve relationships and community cohesion.
- Co-operate and share information across force boundaries to manage risks and threats.
- Pursue criminals through the courts to confiscate and seize assets to ensure no one profits from crime.
- Ensure neighbourhoods are free from organised crime.
- Proactively investigate and manage individuals involved in the sexual exploitation of women and children.
- Deter and prevent the use of the roads by criminals through ANPR and reduce the number of people who are seriously injured or killed on the roads.

Key Performance Measures:

- Reduction of Killed or Seriously Injured (KSIs) on Nottinghamshire's roads.
- Increase in the number of Proceeds of Crime Act (POCA) confiscation and forfeiture orders.
- Reduce the Force threat, harm and risk assessment.

Strategic Priority 6

Prevention, early intervention and reduction in re-offending.

- Work in partnership to address the mental health needs of offenders and the impact of substance misuse and alcohol.
- Provide positive activities for young people at most risk of getting involved in offending and anti-social behaviour.
- Reduce re-offending and deter the number of persistent and problematic offenders through robust offender management (statutory and non-statutory), in addition to proactively managing dangerous offenders, perpetrators of domestic abuse and individuals involved in shoplifting.
- Actively manage through MAPPA dangerous sex and violent offenders to reduce the threat to communities.
- Expand the use of restorative justice by partners and roll out the new conditional Youth Caution Scheme.
- Intervene early and provide support to complex and priority troubled families.
- Save resources through co-location and shared services such as; AURORA, Targeted Youth Support, MASH, Local anti-social behaviour and Offender Management Teams.

Key Performance Measures:

- A continued reduction in First Time Entrants (FTEs) into the Youth Justice System.
- Reduce the number of prolific offenders from re-offending.

Strategic Priority 7

Spending your money wisely.

- Create a partnership fund and provide resources to local communities to help resolve local problems and concerns.
- Build resource allocation for policing from zero based budgets to improve value for money.
- Achieve greater financial savings from regional collaboration
- Review the policing estate and custody arrangements in Worksop and the north of the county.
- Build sustainability into policing and reduce the carbon footprint and improve energy management.
- Recruit more volunteers, including cadets, Parish Constables, Specials, Neighbourhood Watch and 'Mystery Shoppers' to support of the work of the Commissioner.
- Invest in police leadership and the development of sergeants and inspectors.
- Improve the recruitment, retention and progression of for BME and other officers and staff to reflect the local community.
- Improve attendance by reducing sickness and stress related absence of police officers and police staff.
- Redesign the Police workforce and expand the use of civilian investigators.

Key Performance Measures:

- Confirmed efficiencies.
- Overall spend v budget.
- Sickness data for all staff.
- BME recruitment, retention and progression for BME officers and staff to reflect the local community.

Next Stages

- **Police and Crime Panel Meeting 15th January 2013**
 - present the Police and Crime Plan
- **Police and Crime Panel Meeting 6th February 2013**
 - present the Budget and Precept
- **Police and Crime Plan launch meetings:**
 - County 17th January at 6:30pm – Pleasley Landmark Centre, Mansfield
 - City – 24th January at 6:00pm – Nottinghamshire Deaf Society, Forest Road
- **Web based Survey – consultations until mid February**
- **Publish the Final Plan by 31st March 2013**

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REPORT OF THE LEADER**TRANSLATION AND INTERPRETATION SERVICE UPDATE****Purpose of the Report**

1. To provide an update on the Translation and Interpretation Service.

Information and Advice

2. Policy Committee approved a change in the delivery of translation and interpretation services on 12 September 2012, specifically to enter into a shared services arrangement with Nottingham City Council.
3. When approval was given, Nottingham City Council was approached and was interested in exploring a shared service arrangement.
4. Over the last few months extensive discussions have taken place with the City Council and detailed operational, financial and HR information has been shared. Whilst in principle the City Council was supportive of a shared service arrangement, in practice this has not been possible.
5. On 19 December 2012, the City Council confirmed in writing that it was not in a position currently to enter into a shared service arrangement. This was for a variety of reasons including financial risk and HR implications relating to the translators and interpreters.
6. As the shared service arrangement cannot progress at this point in time, alternative options will now be considered which include:
 - Keep the service in house but improve the business model and processes, to reduce inefficiency and achieve a true cost recovery model
 - An innovative social enterprise model
 - A shared service arrangement with another public sector provider
 - Contract a provider to deliver the service requirements
7. There is no other clear alternative option to recommend at this point in time from the alternative options considered in the 12 September 2012 report, with further research and business modelling required before a recommendation can be made to ensure best value for money for the Council.

8. Whilst other options are explored, in the short term (up to 12 months) the translation and interpretation service will need to continue, but with service improvements and transformation required. This is in order to reduce business risk, operate a true cost recovery model and improve the efficiency of back office processes.
9. A project to look at future business delivery options will be established and this will inform the improvement of existing service delivery and vice versa.

Recommendation

- i. Existing service delivery should be improved in the short term to ensure full cost recovery and best value for money.

Councillor Kay Cutts Leader of the Council

For any enquiries about this report please contact: Clare Yau, Marketing and Engagement Group Manager, telephone: 0115 9773851. E: clare.yau@nottsc.gov.uk

Constitutional Comments [NAB 24/01/13]

1. Policy Committee has authority to approve the recommendations set out in this report by virtue of its terms of reference.

Financial Comments [RWK 24/01/2013]

2. The Translation and Interpretation service is estimated to cost in the region of £90,000 per annum. The cost of the service is recovered through charges to other County Council departments and to outside bodies.

HR Comments [AB 24/01/13]

3. It should be noted that the two in-house staff who run the service are no longer at risk of redundancy. They were on the section 188 notice, whilst the shared service was explored. Should the outcome of the service review lead to proposals for changes to staffing, these will be the subject of a future Committee report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

A) Policy Committee paper 12 September 2012

Electoral Division(s) and Member(s) Affected

All

REPORT OF THE LEADER OF THE COUNCIL**BEST USE OF COUNCIL-OWNED DIGITAL SCREENS****Purpose of the Report**

To make recommendations on the best use of digital screens to promote Council messages and secure best value for money.

Information and Advice

1. The Council owns a range of digital screens (e.g. LCD or TV screens). These include 18 LCD screens in libraries, 2 LCD screens in County Hall and a state of the art 2D video wall at the new Mansfield bus station. The registrations service is also intending to install LCD screens.
2. Digital screens are primarily used by the Council on its premises to communicate Council messages. Owning its own screens represents good value for money compared to if the Council was to pay to use screens in other locations such as GP surgeries or those owned by private providers, such as digital billboards.
3. As the screens are live for a large proportion of the day, there is an opportunity to get across advertising messages from partners or third parties in addition to Council messages. This means the screens provide an income opportunity for the Council as a secondary purpose.
4. By offering competitive advertising rates on Council owned digital screens, this supports partners and local businesses to secure best value for money. There is no conflict of interest with existing advertisers, as the Council owns the digital screens in its own premises.
5. The Council already has an Advertising and Sponsorship Policy, approved by Policy Committee in September 2012, which ensures that there is appropriate control over any advertising allowed on Council platforms. This includes:
 - the Council can approve the type and content of adverts (and advertisers)
 - there will be an appropriate balance between the amount of Council messages and paid-for advertising messages from partners or third parties
 - any advertising on Council sites should not have a negative impact on the Council's reputation

- that any advertising must be facilitated through the Council's Communications and Marketing team (to ensure a consistent approach and brand control)
6. The libraries service established a pilot to sell advertising space on LCD screens in Mansfield which has been running for four months since October 2012. This has raised £1,800 to date for the library service, based on the service receiving 30% of the total income. There are 18 LCD screens in total in libraries and it is estimated that selling advertising on these could achieve up to £93,312 a year (£5,184 per screen) for the library service if the Council receives 30% of the total income raised through a supplier selling this advertising space.
 7. Any revenue from selling advertising on the video wall at the new Mansfield bus station will be used to benefit the County Council (and Mansfield District Council), by offsetting a proportion of the £110,000 annual running costs of this station.
 8. Digital screens are an effective communications channel and the potential for revenue through advertising is calculated based on a number of factors. These include:
 - the 'opportunities to see' the advert including numbers of screens, visibility, location and footfall (e.g. 5 million passengers are expected to use the new Mansfield bus station, making it a very attractive site to advertisers).
 - the business model established (e.g. whether the Council sells the advertising space direct or employs a supplier to do this; and the type of income sharing or rental space arrangement).
 9. The total estimated income that the Council could expect from digital screen advertising revenue in 2013-14 is estimated to be between £6k and £100k, depending on the number of screens and the type of the business model established with the supplier.
 10. Any income achieved will go to the relevant Council service to offset other costs. The Communications and Marketing team will receive 5% of the income to offset the resources required to:
 - oversee the advertising contract and achieve best value for money for services;
 - ensure compliance with the Council's Advertising and Sponsorship Policy; and
 - ensure compliance with procurement and financial regulations.
 11. The recommended approach is for Communications and Marketing (as the gatekeeper of the Council's Advertising and Sponsorship Policy) to procure a single supplier to sell advertising across any appropriate digital screens on Council sites for twelve months. This will allow the Council to test the advertising market and use this project to inform future advertising strategy.

Other Options Considered

12. Managing digital screen advertising in house by the Communications and Marketing team was considered. This is not recommended at this time because there is currently a lack of capacity and specialist expertise to do this.

Reason/s for Recommendation/s

13. To ensure a consistent approach to the best use of digital screens to promote council messages.

14. To ensure control over any advertising on Council digital screens, in line with the Council's Advertising and Sponsorship Policy.

15. To ensure best value for money.

16. To support the local economy by providing an advertising opportunity on Council owned digital screens.

17. To ensure financial and procurement regulations are met.

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

1) Formalise the use of digital screens for advertising by sourcing a single supplier and test the market for 1 year - to inform future income generation strategy and a suitable business model that will ensure the greatest possible return for the Council.

Martin Done, Service Director of Communications and Marketing

For any enquiries about this report please contact: Martin Done, Director of Communications and Marketing on 0115 9772026 or email martin.done@nottsc.gov.uk

Constitutional Comments (NAB 22/01/13)

19. Policy Committee has the authority to approve the recommendation set out in this report.

Financial Comments (RWK 23/01/13)

20. The report proposes that Communications and Marketing procure a single supplier to sell advertising across any LCD screens on Council sites that are approved for the use of advertising messages. This arrangement will be for an initial period of 1 year.

21. The proposal will generate additional income for the County Council. The level of income will depend upon the details of the business model established with the provider and is not known at the present time.

Electoral Division(s) and Member(s) Affected

All.

REPORT OF LEADER OF THE COUNCIL**ESTABLISHING A SENIOR ACCOUNT OFFICER (COMMUNICATIONS AND MARKETING) TO WORK WITH PUBLIC HEALTH****Purpose of the Report**

1. The purpose of the report is to seek approval to establish an additional Senior Account Officer post within the Communications and Marketing Department. The additional post will provide capacity within the team to lead and co-ordinate Public Health Communications on behalf of the County Council. The post will be funded by Public Health.

Information and Advice

2. Public Health becomes of statutory function of the County Council from April 2013.
3. Although over seventy members of staff from Public Health will transfer from the NHS to the Local Authority they do not include any communications professionals.
4. In order to ensure that Public Health can continue to effectively communicate with Nottinghamshire residents about a variety of important health issues, but fit in with the Council's existing Communications and Marketing structure and strategy it is proposed to establish this new post.
5. The role of Senior Account Officer already exists within the Authority, with each service department having a dedicated Senior Practitioner who is their primary contact, attending key meetings and taking a lead role in shaping and co-ordinating their communications and marketing activity to achieve measurable outcomes.
6. Senior Account Officers act as a first point of contact for service departments and work closely with officers in media relations, digital communications, marketing, design and print to deliver co-ordinated and audience focussed activity on behalf of all council services departments.

Reason for Recommendation

7. To ensure the Council have sufficient resource to support Public Health communications, in line with other Council departments, and ensure effective communications with Nottinghamshire residents.

RECOMMENDATION

- 1) That Policy Committee approve the establishment of a Senior Account Officer at Hay Band C, funded by Public Health.

Councillor Kay Cutts
Leader of the Council

Name of report author: Marie Lewis, Group Manager, Communications and Marketing

For any enquiries about this report please contact: marie.lewis@nottsc.gov.uk

Statutory and Policy Implications

8. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Constitutional Comments (NAB 22.01.13)

9. Policy Committee has authority to approve the recommendation set out in this report by virtue of its terms of reference.

Financial Implications (RWK 24/01/2013)

10. The estimated costs of establishing an additional post of Senior Account Officer are set out below:-

2012/13	2013/14
£	£
3,900	47,000

11. These additional costs in 2012/13 will be met from the financial resources available to the public health service through the health service and in 2013/14 through a ring fenced grant to be paid to local authorities following the transfer of responsibility for public health services from the health service to local government.

Human Resources Implications

12. Recruitment to this post will follow standard County Council recruitment procedures.

Background Papers Available for Inspection

Nil

Electoral Division(s) and Member(s) Affected

All

**REPORT OF THE CHAIRMAN OF THE ADULT SOCIAL CARE AND HEALTH
COMMITTEE****FAIR PRICE FOR CARE – OLDER PERSONS' CARE HOME FEES****Purpose of the Report**

1. To inform Policy Committee of the work undertaken to review the current local 'Fair Price for Care' framework and the associated fee levels for independent sector older persons' residential and nursing care homes in Nottinghamshire.
2. To seek approval of the new fee structure to be implemented from April 2013, over a five year period, as recommended by Adult Social Care and Health Committee.
3. To seek approval for an index related inflation formula to be applied annually to independent sector older persons' care home fees with effect from April 2014.
4. To seek approval to review and revise the criteria for determining future dementia placements to focus on those service users where their primary need for residential or nursing care is dementia.
5. To seek approval to develop new processes to help improve the quality of care, with a particular focus on dementia care, including:
 - a) Implementation of higher level of fees to providers who are able to evidence high quality dementia care.
 - b) Development and implementation of 'Beacon Status' award to providers who can evidence excellent care services.

Information and Advice

6. In 2008/09, the Council commenced implementation of a local 'Fair Price for Care' framework. The framework was introduced in recognition of the following:
 - The need to increase fee levels to reflect increasing costs faced by care home providers.

- To provide incentives for care home providers to continuously improve the quality of the care services, with a particular focus on providing and developing good quality dementia care.
7. The fee levels were set in consultation with older persons care home providers and their representative organisation the Nottinghamshire Care Association (NCA). The 'Fair Price for Care' framework was initially intended to cover a four year period. However, subsequently, the fee increases were phased in over a period of five years, with the final increases being applied in 2012/13. The application of annual inflationary increases has been considered separately through the Council's normal annual budget setting process. For the last two financial years, 2011/12 and 2012/13, inflation for externally provided services has been 0%.
 8. Over the past two and a half years, some care home providers or their representative organisations have brought legal challenges against local authorities in relation to their fee levels and also for the ways in which their fee levels have been determined and set. The successive court rulings have placed a requirement on councils to consider the 'actual costs' faced by their local care home providers. Councils have also been required to ensure that the fee levels will support sufficient and sustainable capacity and choice of care home provision within the local market.
 9. In order to set care home fees for 2013/14 and beyond, and in considering the legal context, the Council has completed a comprehensive review of its current fee levels, the details of which are being considered by the Adult Social Care and Health Committee on 4 February 2013. The report proposes a new structure for fees and the development of new processes to help improve the quality of older persons' residential and nursing care provision in Nottinghamshire. The proposal before ASCH Committee is that it recommends to Policy Committee approval of the proposals outlined in that report. As such, it is vital that Members give detailed consideration to the report to ASCH Committee which is referenced as a background paper.
 10. The review of the fee structure has included undertaking a two-stage consultation process to determine actual costs of providing older persons' residential and nursing care in Nottinghamshire.
 11. Stage 1 of the consultation process has entailed conducting a survey of local older persons' care home providers. The information and data provided by the care homes has been aggregated and analysed to establish the actual costs of care, including costs related to the provision of dementia services. This analysis has also included consideration of factors such as the size of the home and geographical locations in order to determine their impact on provider costs and capacity.
 12. The data identifying providers' actual costs was then considered alongside the Council's key priorities for health and social care services for older people and also the future needs for residential and nursing care across the County. This information together has informed proposals for fee levels for 2013/14. The

proposals have included the annual inflation related increases beyond 2013/14 as determined by an inflation formula which is based on indices that are relevant to social care services.

13. Stage 2 of the consultation process has entailed seeking the views of the care home providers in relation to future fee proposals including ascertaining the impact of the proposed fees in relation to capacity and sustainability within the local market.
14. Overall, the providers that responded to the consultation were supportive of the proposal to retain the local 'Fair Price for Care' framework and the five bandings, including the annual audit process, on the basis that the framework provides an incentive to continuously improve the quality of care. Providers also welcomed the proposal to apply an annual inflation related formula to fees as a means of ensuring the fees continue to reflect actual costs.
15. The Council has also consulted on its proposals to continue to develop and promote good quality care services and to focus particularly on improving the quality of dementia care. These proposals entail:
 - Development and implementation of a new process for the identification and allocation of higher fee levels for dementia services to those homes which are able to demonstrate high quality dementia care.
 - Development of a 'beacon status' award to a selection of care homes that are able to demonstrate excellent care services. These homes would have a specific remit to promote best practice within their locality. This reinforces the importance on the care sector playing an active part in improving the quality of care home provision across the County.
16. In addition, the Council is proposing that a review is undertaken of the criteria used by social care assessment staff for determining which service users have dementia as their primary care need and who, as a result, require a placement in a residential or nursing home which can meet this specific need.
17. Providers who responded to the consultation challenged the Council's assumptions on two key factors on which the fee proposals had been based. These relate to:
 - Average occupancy levels
 - Assumptions about staffing levels.
18. The Council has given due consideration to all of the issues raised by providers, including the two key issues above, in order to ensure that future fee proposals continue to support a viable local market of provision to meet current and future needs. Consideration has also been given to ensuring that the fee levels and the fee model continues to enable providers to improve the quality of care.

19. The Council has also considered comparative data from other sources such as Laing and Buisson who collate national data on costs of care home provision through their 'Fair Price for Care' costing toolkit.
20. As identified above, one of the key factors identified by local providers in their response to the consultation, and highlighted in the latest Laing and Buisson research (2012), is the increased cost pressures arising from higher dependency and higher levels of needs of older people, which requires providers to have higher levels of staff.
21. Having considered the feedback from providers, the Council has revised its initial fee proposals in recognition of the need for higher staffing levels as a result of greater dependency and increasing need of older people in care homes.
22. The Council is proposing that fee levels are increased by an average of 11.8% across the five bands and the total estimated additional cost of the proposals is £6.8 million for 2013/14.

Implications for service users

23. The Council has completed an Equality Impact Assessment in order to consider whether the implementation of the new fee structure is likely to have any adverse impact on specific groups of people within Nottinghamshire and in doing so has considered the actions it will put in place to mitigate against these. The proposals are for an increase in payments to care home providers which should make care homes more viable and to enable the quality of care to be improved. Additionally, the proposals include applying annual index linked inflation to the fees to reflect increasing costs and therefore financial viability of care homes.

Recommendations

It is recommended that Policy Committee:

- 1) notes the findings of the local Fair Price for Care consultation process and the fee proposals arising from this
- 2) approves the new fee structure as recommended by the Adult Social Care and Health Committee
- 3) approves the application of an index related inflation formula, to be applied annually, to independent sector older persons' care home fees with effect from April 2014
- 4) approves the review and revision of the criteria for determining dementia placements to focus on those service users where their primary need for residential or nursing care is dementia

- 5) approves the development of new processes to help improve the quality of care, with a particular focus on dementia care, including:
- a) implementation of higher level of fees to providers who are able to evidence high quality dementia care
 - b) development and implementation of 'Beacon Status' award to providers who can evidence excellent care services

COUNCILLOR KEVIN ROSTANCE

Chairman of the Adult Social Care and Health Committee

For any queries regarding this report please contact:

Caroline Baria,
Service Director, Joint Commissioning, Quality and Business Change
Email: caroline.baria@nottsccl.gov.uk

Constitutional Comments

24. The Policy Committee has delegated authority within the Constitution to approve the recommendations in the report.

Financial Comments (RWK 24/01/2013)

25. The additional cost of the fee proposals set out in the report is estimated to be £6.8 million. This additional financial pressure will need to be considered by Policy Committee and the County Council in determining the County Council's 2013/14 Budget and the County Council's Medium Term Financial Strategy (MTFS) for the period 2013/14 to 2016/17.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- a. Local Fair Price for Care – Older Persons' Care Home Fees. Report to Adult Social Care and Health Committee – 4 February 2013

Electoral Division(s) and Member(s) Affected

All.

**REPORT OF CORPORATE DIRECTOR, POLICY, PLANNING AND
CORPORATE SERVICES****WORK PROGRAMME****Purpose of the Report**

1. To review the Committee's work programme for 2012/13.

Information and Advice

2. The County Council requires each committee to maintain a work programme. The work programme will assist the management of the committee's agenda, the scheduling of the committee's business and forward planning. The work programme will be updated and reviewed at each pre-agenda meeting and committee meeting. Any member of the committee is able to suggest items for possible inclusion.
3. The attached work programme was drafted in consultation with the Chairman and Vice-Chairman and includes items which can be anticipated at the present time. Other items will be added to the programme as they are identified.
4. As part of the transparency introduced by the new committee arrangements, committees are expected to review day to day operational decisions made by officers using their delegated powers. Such decisions will be included in the work programme on an annual basis and as specific decisions of interest arise.
5. The Policy Committee will be asked to determine policies, strategies and statutory plans developed or reviewed by other Committees of the Council. Committee Chairmen are invited to advise the Policy Committee of any additional policy reviews that are being considered.

Other Options Considered

6. None.

Reason/s for Recommendation/s

7. To assist the committee in preparing and managing its work programme.

Statutory and Policy Implications

8. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) That the Committee's work programme be noted, and consideration be given to any changes which the Committee wishes to make;

Jayne Francis-Ward

Corporate Director, Policy, Planning and Corporate Services

For any enquiries about this report please contact: Matthew Garrard, Team Manager, Policy, Performance and Research T: (0115) 9772892 E: matthew.garrard@nottsc.gov.uk

Constitutional Comments (SLB 30/04/2012)

9. The Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments (PS 2/5/12)

10. There are no financial implications arising directly from this report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None

Electoral Division(s) and Member(s) Affected

All

POLICY COMMITTEE - WORK PROGRAMME

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information</u>	<u>Lead Officer</u>	<u>Report Author</u>
March 2013 13th				
Strategic Performance Report – Q3	Report on the overall progress of the County Council towards its strategic priorities over the third quarter of the year.	Information	Celia Morris	Matthew Garr
Improvement Programme – Performance	Quarterly report on the progress of the Council's Improvement Programme.	Information	Deborah Hinde	
Review of Complaints	Bi-annual overview of complaints received by the County Council.	Information	Celia Morris	Jo Kirkby
Equalities Plan	To consider the annual equalities plan in accordance with statutory duties arising from equalities legislation.	Decision	Celia Morris	Matthew Garr
Review of the Young Carers Strategy			Derek Higon	Chris Jones
Staff Guidance for Reviewing Personal Budgets	To receive recommendations from Adult Social Care and Health Committee on changes to the policy and guidance	Decision	David Hamilton	Mark McCall
Sustainable Communities Act	To examine the opportunities provided by the Act and to determine whether and how these might be taken forward	Decision	Celia Morris	Steve Derbyshire
Establishment of a Nottinghamshire Community Fund	To consider the establishment of a Nottinghamshire Community fund using moribund and ineffective trust funds where the County Council is the sole trustee	Decision	Jayne Francis-Ward	Caroline Agne
Framework for devolving services to parish/town councils	To consider the development of the framework as part of the implementation of the Council's Localism Policy	Decision	Celia Morris	Matthew Garr
Community Safety	To review community safety in accordance with the statutory requirement	Decision	Chris Walker	

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information</u>	<u>Lead Officer</u>	<u>Report Author</u>
Flooding	To review flood risk management in accordance with the statutory requirement	Decision	Gary Wood	Andy Wallace
Nottinghamshire Growth Plan	To consider proposals for a Nottinghamshire Growth Plan	Decision	Celia Morris	Matt Lockley
Communications & Marketing Campaigns	Report on the reach of communication and marketing campaigns 2012-13.	Information	Martin Done	Clare Yau
April 2013 17th				
Legal Settlements	Bi-annual overview of legal settlements reached in the preceding 6 months	Information	Heather Dickinson	
Economic Development Strategy	To consider proposals from the Economic Development Committee for an economic development strategy for Nottinghamshire	Decision	Celia Morris	Matt Lockley
May 2013 22nd				
Community Safety Agreement	To consider proposals from the Community Safety Committee on 23 April for the new community safety agreement	Decision	Jayne Francis-Ward	Chris Walker
June 2013 13th				
Annual Performance Report 2012/13	Report on the overall progress of the County Council on its strategic priorities over the final quarter of the year and across the whole year.	Information	Celia Morris	Matthew Garr
Improvement Programme – Annual Report	Annual report of achievements for 2012-13.	Information	Deborah Hinde	
July 2013				
Social Media Usage	6 month usage of social media	Information	Martin Done	
October 2013				
Welfare Assistance Scheme	Report on first 6 months of operation of scheme and proposals for operation beyond April 2014	Decision	Paul McKay	

<u>Report Title</u>	<u>Brief summary of agenda item</u>	<u>For Decision or Information</u>	<u>Lead Officer</u>	<u>Report Author</u>

