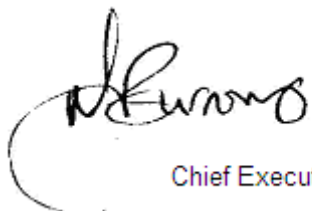


SUMMONS TO COUNCIL

date Thursday, 28 February 2013 venue County Hall, West Bridgford,
commencing at 10:00 Nottingham

You are hereby requested to attend the above Meeting to be held at the time/place and on the date mentioned above for the purpose of transacting the business on the Agenda as under.


Chief Executive

1	Minutes of the last meeting held on 20 December 2012	5 - 24
2	Apologies for Absence	
3	Declarations of Interests by Members and Officers:- (see note below)	
	(a) Disclosable Pecuniary Interests	
	(b) Private Interests (pecuniary and non-pecuniary)	
4	Chairman's Business	
	Presentation of Awards/Certificates (if any)	
5a	Presentation of Petitions (if any) (see note 3 below)	
5bi	Environment and Sustainability Committee	25 - 26
5bii	Transport and Highways Committee	27 - 32
6	Clarification of Minutes of Committee Meeting published since the last meeting on 20 December 2012	33 - 34
7	Nottinghamshire County Council's Pay Policy Statement 2013-14	35 - 54

8	Nottinghamshire Annual Residents' Satisfaction Survey 2012	55 - 110
9	Health and Wellbeing Board Arrangements	111 - 116
10	Nottinghamshire Local Broadband Plan	117 - 136
11	Revenue Budget 2013/14	137 - 240
	Capital Programme Proposals 2013/14 to 2016/17	
	Medium Term Financial Strategy 2013/14 to 2016/17	
	Council Tax Proposals 2013/14	
12	Adjournment Debate (if any)	

Notes:-

(A) For Councillors

(1) Group meetings of Members will be held as follows:-

Thursday 21st February 2013

Liberal Democrat Group - 10.00am

Monday 25th February 2013

Independent Group - 1.30pm

Wednesday 27th February 2013

Conservative Group - 10.00am

Labour Group - 1.30pm

(2) The Chairman has agreed that the Council will adjourn for lunch at their discretion.

(3) (a) Persons making a declaration of interest should have regard to the Code of Conduct and the Procedure Rules for Meetings of the Full Council. Those declaring must indicate whether their interest is a disclosable pecuniary interest or a private interest and the reasons for the declaration.

(b) Any member of officer who declares a disclosable pecuniary interest in an item must withdraw from the meeting during discussion and voting upon it, unless dispensation has been granted. Members or officers requiring clarification on whether to make a declaration of interest are invited to contact the Monitoring Officer or Democratic Services prior to the meeting.

(c) Declarations of interest will be recorded and included in the minutes of this meeting and it is therefore important that clear details are given by members and others in turn, to enable the Team Manager, Democratic Services to record accurate information.

(4) Members are reminded that these papers may be recycled. Appropriate containers are located in the respective secretariats.

(5) Members are reminded that petitions can be presented from their seats with a 1 minute time limit set on introducing the petition.

(6) In line with the Constitution, there will be no speeches on constituency matters or questions to Committee Chairmen at this budget meeting.

(B) For Members of the Public

(1) 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

(2) The papers enclosed with this agenda are available in large print if required. Copies can be requested by contacting the Customer Services Centre on 0300 500 80 80. Certain documents (for example appendices and plans to reports) may not be available electronically. Hard copies can be requested from the above contact.

(3) Information in respect of this meeting is available in a wide range of languages which can be provided in large print, Braille and audio. Please



Nottinghamshire County Council

Meeting COUNTY COUNCIL

Date Thursday, 20th December 2012 (10.00 am –3.17pm)

Membership

Persons absent are marked with 'A'

COUNCILLORS

Carol Pepper (Chairman)
L B Cooper (Vice Chairman)

	Reg Adair		Keith Longdon
	John Allin		Rachel Madden
A	Fiona Asbury		Geoff Merry
	Chris Barnfather		Mick Murphy
	Victor Bobo		Philip Owen
	Joyce Bosnjak		John Peck
	Richard Butler	A	Sheila Place
	Steve Carr		Darrell Pulk
	Steve Carroll		Mike Quigley MBE
	Allen Clarke		Mrs Wendy Quigley
	Ged Clarke		Alan Rhodes
	John Clarke		Ken Rigby
	John Cottey		Kevin Rostance
	Michael J Cox		Mrs Sue Saddington
	Jim Creamer		Mel Shepherd MBE
A	Bob Cross		S Smedley MBE JP
	Mrs Kay Cutts		Mark Spencer MP
	V H Dobson	A	June Stendall
	Dr John Doddy		Andy Stewart
	Sybil Fielding		Martin Suthers OBE
	Stephen Garner		Lynn Sykes
A	Michelle Gent		David Taylor
	Glynn Gilfoyle		Parry Tsimbirdis
	Keith Girling		Gail Turner
	Kevin Greaves		Keith Walker
	John M Hemsall		Stuart Wallace
A	Stan Heptinstall MBE		Gordon Wheeler
A	Rev. Tom Irvine		Chris Winterton
	Richard Jackson		Brian Wombwell
	Rod Kempster		Martin Wright
	Eric Kerry		Liz Yates
	John Knight		Jason Zadrozny
	Bruce Laughton		

HONORARY ALDERMEN

Mr Martin Brandon-Bravo OBE
Mr Terry Butler
Mr John Carter

OFFICERS IN ATTENDANCE

Mick Burrows	(Chief Executive)
Jayne Francis-Ward	(Policy, Planning & Corporate Services)
Anthony May	(Children, Families and Cultural Services)
David Pearson	(Adult Social Care, Health and Public Protection)
Paul Simpson	(Environment and Resources)
Carl Bilbey	(Policy, Planning and Corporate Services)
Gail Holliday	(Policy, Planning and Corporate Services)
Martin Done	(Policy, Planning and Corporate Services)
Chris Holmes	(Policy, Planning and Corporate Services)
Sara Allmond	(Policy, Planning and Corporate Services)
Karen Townrow	(Policy, Planning and Corporate Services)
Anna Vincent	(Policy, Planning and Corporate Services)
Michelle Welsh	(Policy, Planning and Corporate Services)

OPENING PRAYER

Upon the Council convening, prayers were led by the Chairman's Chaplain.

1. MINUTES

A report setting out proposed changes to the minutes of the last meeting was circulated.

RESOLVED: 2013/01

That the Minutes of the last meeting of the County Council held on 1st November 2012 be agreed as a correct record and signed by the Chairman, subject to the changes outlined in the report, and the inclusion of Councillor John Peck in the list of those who were present at the meeting.

2. APOLOGIES FOR ABSENCE

The following apologies for absence were received:-

Medical/Illness
Councillor Bob Cross
Councillor Fiona Asbury

Councillor Michelle Gent
Councillor Sheila Place
Councillor Rev. Tom Irvine

Other
Councillor June Stendall
Councillor Stan Heptinstall MBE

3. DECLARATIONS OF INTEREST

There were no declarations of interest

4. CHAIRMAN'S BUSINESS

(a) Emergency Planning Team response to recent flooding

The Chairman acknowledged the excellent work done by the Emergency Planning Team, and other colleagues in response to the recent floods, which had first impacted the village of Zouch, and then on communities along the River Trent, most notably in Newark.

(b) Presentation of Awards

Divisional Commander's Commendation – Car Cruising

The Chairman presented the award to Tony Shardlow and Chris Walker which acknowledged the success of their work in Netherfield and Colwick to stop vehicle nuisance in and around the local retail park.

Green Apple Environment Award 2012

Councillor Richard Butler presented the Chairman with the Green Apple Environment Award 2012 which acknowledged the work of the Council in relation to energy saving.

Local Authority Caterers' Association Business of the Year Award

Councillor Andy Stewart presented the Chairman with the Local Authority Caterers' Association Business of the Year Award which acknowledged the work of the managers and staff of the Council's Schools Catering Team.

5. CONSTITUENCY ISSUES

Set out in Appendix A to these minutes is a full note of the issues discussed by Councillors as follows:-

Councillor Bruce Laughton - Environmental Weight Limits

Councillor Keith Longdon	-	ASBO Reduction in Eastwood
Councillor Sybil Fielding	-	Roads in Worksop North
Councillor Kevin Greaves	-	Resident's Parking Scheme, Stubbing Lane, Worksop

6. PETITIONS

(a). PRESENTATION OF PETITIONS

The following petitions were presented to the Chairman as indicated below:-

- (1) Councillor Keith Longdon – Petition regarding creating a crossing at the end of Newthorpe Common
- (2) Councillor Steve Carr – Petition requesting a crossing patrol on Park Street
- (3) Councillor Mike Quigley – Petition requesting a residents parking scheme on Lime Grove
- (4) Councillor John Peck – Petition requesting Traffic Lights on the junction of Mickledale Lane
- (5) Councillor Kevin Greaves – Petition requesting a Parking Scheme on Stubbing Lane, Worksop
- (6) Councillor Rachel Madden – Petition calling for a review of the traffic management system on Chapel Street, Kirkby

RESOLVED: 2013/02

That the petitions be referred to the appropriate Committees for consideration in accordance with the Procedure Rules.

(b) PETITION RESPONSES

RESOLVED: 2013/03

That the contents and actions be noted in respect of petition responses agreed by the Children's and Young People's Committee on 3rd December 2012, and the Transport and Highways Committee at its meeting on 22nd November 2012.

7. QUESTIONS

(b) QUESTIONS TO COMMITTEE CHAIRMEN

Three questions had been received as follows:-

- (1) from Councillor Chris Winterton about whether elderly people in Nottinghamshire are being over charged for services that they have not received (Councillor Kevin Rostance replied)
- (2) from Councillor Joyce Bosnjak regarding £900,000 from Nottinghamshire County Council being given to Nottinghamshire County Cricket Club (Councillor John Cottee replied on behalf of Councillor Reg Adair)
- (3) from Councillor Chris Winterton about the reduction of information printed in various languages provided in our Libraries (Councillor John Cottee replied)

The full responses to these questions are set out in Appendix B to these Minutes.

8. CLARIFICATION OF MINUTES

The report provided Members with the opportunity to raise any matters of clarification on the minutes of Committee meetings published since the last meeting.

9. WINTER READINESS

Councillor Mrs Kay Cutts introduced the report and moved a motion in terms of the resolution 2013/04 below.

The motion was seconded by Councillor Richard Jackson

RESOLVED: 2013/04

- (1) That elected members note the plans for:-
 - Snow Clearance and gritting
 - Schools
 - Vulnerable people
 - Communications
- (2) That the Winter Weather Plan 2012 be approved.

10. UPDATE ON THE INITIAL FINDINGS FROM THE 2012 NOTTINGHAMSHIRE ANNUAL RESIDENT'S SATISFACTION SURVEY

Councillor Mrs Kay Cutts introduced the report and moved a motion in terms of the resolution 2013/05 below.

The motion was seconded by Councillor Martin Suthers OBE .

RESOLVED: 2013/05

- (1) That the increased levels of satisfaction evidenced by the 2012 Nottinghamshire annual residents' satisfaction survey be noted.
- (2) That the Council uses this survey data as the baseline and looks to set meaningful targets for future years based on this.
- (3) That further detailed analysis, including mapping of activity that may have contributed to high/low levels of satisfaction across the Council, looking at links to cost and quality of service and other available data, be undertaken.
- (4) The Council continues with annual satisfaction surveys in future years.

11. NOTTINGHAMSHIRE AND NOTTINGHAM WASTE CORE STRATEGY – SUBMISSION TO THE SECRETARY OF STATE

Councillor Richard Butler introduced the report and moved a motion in terms of the resolution 2013/06 below.

The motion was seconded by Councillor John Hemsall.

RESOLVED: 2013/06

- (1) That the County Council approves submission of the Nottinghamshire and Nottingham Waste Core Strategy to the Secretary of State for Communities and Local Government for Examination.
- (2) That the Corporate Director, Policy, Planning and Corporate Services be authorised , in consultation with the Chairman of Environment and Sustainability Committee, to agree in principle any necessary amendments to the Submission Core Strategy during the Examination process, subject to adoption of the final plan by Full Council.

12. NOTTINGHAMSHIRE LOCAL BROADBAND PLAN UPDATE

Councillor Mrs Kay Cutts introduced the report and moved a motion in terms of the resolution 2013/07 below.

The motion was seconded by Councillor Keith Girling.

RESOLVED: 2013/07

- (1) The public support for the campaign be recognised.
- (2) That Council continue to do all in its power to bring about the delivery of broadband as quickly as possible and recognises the importance of broadband to all sections of the community, and in particular to business regeneration.

13. FIRST REVIEW OF THE COMMITTEE SYSTEM AFTER SIX MONTHS

Councillor Mrs Kay Cutts introduced the report and moved a motion in terms of the resolution 2013/08 below.

The motion was seconded by Councillor Martin Suthers OBE.

RESOLVED: 2013/08

- (1) That Council notes the outcome of the review process.
- (2) That Council agrees to the establishment of a Public Health Sub Committee chaired by the Deputy Leader, and to the Terms of Reference as set out in the report.
- (3) That Council agrees the constitutional amendments as set out in Appendix C to the report.
- (4) That Council agrees the constitutional amendment as set out in paragraph 10(c) of the report; to change 'Councillor' to 'committee member' as necessary throughout the procedure rules for committee and sub- committee meetings.
- (5) That Council agrees that reports to service committees be in the name of the relevant Corporate Director or Service Director and reports to Policy Committee and Council be in the name of the relevant Committee Chairman, with the exceptions as set out in the report.
- (6) That questions to the Chairman of the Police Authority be removed from the Council procedure rules and that any questions to the

Police and Crime Commissioner be directed through the Police and Crime Panel or the Community Safety Committee.

Following consideration of this item, Council adjourned from 12.30 pm until 1.45 pm for lunch.

15. NOTICE OF MOTION

It was moved by Councillor Jason Zadrozny and seconded by Councillor Rachel Madden:-

“That Nottinghamshire County Council

- (i) Supports the bottom up process in the Sustainable Communities Act that enables councils to drive action and assistance that central government gives councils to promote thriving local economies and sustainable communities;
- (ii) Notes that the Act gives councils the power to
 - make proposals to government for action and assistance from government to promote sustainable communities, and that
 - those proposals can be for, but are not restricted to, new powers or a transfer of powers or public money from central control to local control;
- (iii) Notes that the Act defines sustainable communities broadly, that definition having the four aspects of
 - the improvement of the local economy,
 - protection of the environment,
 - promotion of social inclusion and wellbeing, and
 - participation in civic, political and democratic activity;
- (iv) Resolves to use the Act by responding to the government’s open invite for proposals and submit proposals for action and assistance from central government each year for the next three years and to then review the outcome of this activity and consider whether to continue to use the Act;
- (v) Resolves that a draft policy be developed on how the Council will take advantage of the opportunities set out in the Act for approval by Policy Committee; and
- (vi) Further resolves
 - to inform the local media of this decision;
 - to write to local MPs, informing them of this decision; and

- to write to Local Works c/o Unlock Democracy, informing them of this resolution to use this Act.”

The following amendment to the motion was moved by Councillor Mrs Kay Cutts and seconded by Councillor Martin Suthers OBE

- In sub-paragraph (i), after the words “drive action”, insert a comma and after the word “and” insert the words “welcomes the”
- Remove the text after sub paragraph (i)
- Add a new paragraph as follows:
 - “(ii) Agrees that the Policy Committee should examine the opportunities provided by the Sustainable Communities Act and decide whether and how these might be taken forward.”

The amended motion would read:-

“That Nottinghamshire County Council

- (i) Supports the bottom up process in the Sustainable Communities Act that enables councils to drive action, and welcomes the assistance that central government gives councils to promote thriving local economies and sustainable communities.
- (ii) Agrees that the Policy Committee should examine the opportunities provided by the Sustainable Communities Act and decide whether and how these might be taken forward.

The meeting was adjourned from 3.07 pm to 3.12 pm.

The mover of the original motion Councillor Jason Zadrozny indicated that he accepted the amendment.

The motion as amended was put to the meeting and declared to be carried and it was:-

RESOLVED:- 2013/09

That Nottinghamshire County Council

- (i) Supports the bottom up process in the Sustainable Communities Act that enables councils to drive action, and welcomes the assistance that central government gives councils to promote thriving local economies and sustainable communities;

- (ii) Agrees that the Policy Committee should examine the opportunities provided by the Sustainable Communities Act and decide whether and how these might be taken forward.

The meeting closed at 3.17 pm

CHAIRMAN

M20DEC12

APPENDIX A

COUNTY COUNCIL MEETING HELD ON 20th DECEMBER 2012

3-MINUTE SPEECHES

Councillor Bruce Laughton

"My three minute speech will be short otherwise I'll run out of voice. It is a congratulation really on behalf of my constituents and myself for all the hard work that has gone on putting in Environmental Weight Limits. For those people who don't know what they are it is seven and a half tons weight limits into villages that I represent; Cromwell, Carlton-on-Trent, Norwell, Caunton and Bathley.

Not only are we doing that but we are hopefully going to be downgrading the A612 to a B road and putting an environmental weight limit in the triangle between the A612 and A617 and all this is work that is ongoing by Richard's department and will make a massive impact in the quality of life for people that I represent in North Nottinghamshire.

Not only are we doing that; I'm now being used as a battering ram or consultant for other areas that are wishing to protect their environment from lorries trundling through their communities. It is absolutely essential and was part of our manifesto commitment three years ago that we intended to do something about this problem and the Conservatives in this chamber are delivering. We are delivering an improvement in the quality of life to those individuals who are not being woken up in the morning; their houses are not being shaken to bits and they are able to live in a sustainable and normal fashion.

You can imagine my dismay when I saw a Liberal Democrat Focus that went round my communities that said 'HGV Promise failure'. This was put out to all the villages and Southwell in my division. I would just like to point out that it is these sorts of lies that we should condemn as a Council because it drags us all down. It is the mire that the Liberal Democrats have placed themselves with in the Caunton and Southwell division."

Councillor Keith Longdon

"I rise this morning not to criticise opposition but to thank them. As far as I'm concerned in Eastwood we have a new youth centre in which I work along with the youth centre team and Philip Owen and we have reduced anti-social behaviour by 47.8%.

I would like to thank Philip's team because now we have a little bit of an under spend within the youth centre and he's agreed that it will go to a new skate park in Eastwood which the kids at the local comprehensive school, whom I'm very proud of, are raising money for that project. That £35,000 (I won't go into detail

of all the others) but we have now raised £115,000 and we are still going. So I would like to thank you Philip. Thank you very much.”

Councillor Sybil Fielding

“Securing the adoption of roads on two large housing developments in Worksop North proved to be a challenge. The work was long and complicated, requiring my engagement with developers, outside agencies and skilled development officers of the County Council.

The cornerstone to this success was my work with the Bassetlaw development control officer. Members may recall I paid tribute to the work of Mr. Bob Castle just prior to his retirement. At the same time I did warn this Council of the consequences of not replacing such officers and this would prove to be a false economy. Now Bassetlaw does not have a development control officer and it is of great concern that the development control officer has refused to meet with me because he physically does not have the time and I am still awaiting a reply from an email from the beginning of November.

Most recently I have been approached by one company in Worksop that is considering moving its company to Cheshire with a loss of over a hundred jobs due to the poor state of the access road; an unadopted road and this is a company looking to move from two sites to one where the Managing Director has made it clear that limited access on a poor road will be an issue.

Having made numerous requests to Highways to be kept informed of the situation, through the grapevine I understand the cost of pulling the developer's bond will not entirely cover the cost of the work of bringing the roadwork up to adoptable standard. The Service Director and the Chief Executive are well aware of my concerns. I hear there are concerns about setting a precedent although this is just hearsay because, as a local member I'm not being kept informed.

There is a stark contrast here; this Administration defended its actions in supporting Nottinghamshire's Cricket Club to the tune of close to £1 million as to protect jobs yet seems unwilling to spend a few thousand pounds to protect over 100 full-time skilled jobs and the potential of new jobs.

It may well be the work has been agreed but as a local member I'm certainly not being kept informed.”

Councillor Kevin Greaves

“Along with my colleague I have residents within my division who work in this industrial estate and have complained to me about the state of the road that has not been adopted. They feel bemused at how this Council can okay close to a million pounds to the Cricket Club which I’m sure you will all put on your leaflets when you are up for election.

They are quite bemused at how you can give money to a private company and yet not even adopt a road which is totally unsafe for travelling down on a bicycle or whatever. But I’m sure that you will be looking into it because you have a hundred jobs here at stake, whereas at Trent Bridge one of your colleagues was stating 14 jobs at a local fish and chip shop was gained by putting a million pounds into the Cricket Club.

The other thing that I would like to bring to your attention is on Stubbing Lane in Worksop which wants a resident’s parking scheme. This road has now become absolutely intolerable for emergency services and buses alike. I’m going to be handing in a petition also about this road but it’s become so narrow with parking from non-residents that it’s becoming very dangerous. Traffic is not able to pass properly, emergency services getting stuck and also that the bus company Stagecoach are supporting this petition for the residents because they’re having to stop their bus short of the housing estate which is about 800 yards up the road to drop the residents off there because they can’t pass any further. So if you would look into that for us.”

APPENDIX B

COUNTY COUNCIL MEETING HELD ON 20TH DECEMBER 2012 QUESTIONS TO COMMITTEE CHAIRMAN

Question to the Chairman of the Adult Social Care & Health Committee from Councillor Chris Winterton

“Please could the Chairman of the Adult Social Care and Health Committee inform the Council on whether elderly People in Nottinghamshire are being over charged for services that they have not received?

Also, could the Chairman of the Adult Social Care and Health Committee explain why the Council is sending out thousands of reminder letters and a number of final court notices if elderly people are satisfied with the way they are being invoiced?

Would the Chairman agree that it is unfair and highly inappropriate for elderly people to be invoiced incorrectly and would he agree to a full investigation into the way in which elderly and vulnerable people are being invoiced for vital services?”

Response by Councillor Kevin Rostance, Chairman of the Adult Social Care & Health Committee

“Thank your Councillor Winterton for your question, which I will take in three parts.

Part one: please could I inform the Council whether elderly people in Nottinghamshire are being over charged for services that they have not received?

Chairman, the Fairer Contributions Policy was introduced in October 2010 to allow charging for service users transferring from traditional services to a Personal Budget. Service users are offered a financial assessment to determine the maximum amount they can afford to contribute towards their Personal Budget. If a service user has over £23,250 in savings, they are required to pay the full amount.

The Council produces Personal Budget statements on a quarterly basis to compare the amount the service user has been charged to the actual cost of the service provided. If the service user has not accessed a service, for example due to a hospital admission, they can contact the Council to query their contribution and, if the query is justified, the Council will make an immediate adjustment to their contribution for the relevant period. I should point out that not all councils provide this retrospective analysis, but in Nottinghamshire we believe that if a person has paid for a service they did not subsequently use, through no fault of their own, then it is right to return the appropriate amount.

Part two of the question asks me why the Council is sending out thousands of reminder letters and a number of final court notices if elderly people are satisfied with the way they are being invoiced.

A total of 10,459 people currently receive social care services and out of this, a total of 7,773 are required to pay a contribution towards the cost of their care or to pay the full cost based on their financial circumstances. 2,686 service users receiving services currently do not pay a contribution towards the cost of their care at all.

Reminder letters and court notices are sent out by our Income and Credit Control Team. These letters are automatically generated when an invoice is not paid in full. If charges have not been paid then a reminder letter is sent out 21 days after the initial invoice. If the invoice then still remains unpaid, a Final Notice or Court Notice is issued 42 days after the initial invoice. Where the balance outstanding is under £175 a 'Final Notice' is issued and where the balance is £175 or more a 'Court Notice' is issued. Service users or their carers are advised to contact Income and Credit Control at any point in the process if they have any queries about the invoice.

We have checked with officers within the Income and Credit Control Team and they confirm that in most instances the level of the charge is not being disputed. From over 101,000 invoices processed by Adult Care Financial Services in the last year up to September, only 41 complaints were made, of which only six related to overcharging.

I'll repeat that: 101,000 invoices, 41 complaints, only six relating to overcharging. The evidence would therefore suggest the vast majority of people are satisfied with their invoice.

The problem is that people sometimes do not pay their contribution in a timely way. Reminder letters are sent out to service users in order to prevent them incurring a large debt. We recognise the difficulty of the current financial climate and support service users accordingly, but the Council cannot neglect its responsibility to ensure all charges are collected in a timely manner in accordance with its financial procedures.

Part three of Councillor Winterton's question asks me if it is unfair and inappropriate for elderly people to be invoiced incorrectly and would I agree to a full investigation into the way in which elderly and vulnerable people are being invoiced.

"Chairman, I would not agree, because Councillor Winterton's premise is wrong.

Service users are invoiced correctly for their contribution, which is based on a full financial assessment of their ability to pay. Invoices are based on the information Adult Care Financial Services have about the care the person has received.

Personal Budget statements are then produced which compare the amount a service user has been charged to the actual cost of the service provided and paid for by the Council. Should the planned care have altered, invoices are adjusted immediately if notification is made of these changes. Our procedures are fairer than those of some other councils.

I shall repeat the invitation I always make to Councillor Winterton, which is to approach me or the relevant council officers if he has cause for concern about an individual service user's invoice or any other adult social care issue. Unfortunately, he seems to prefer tabling questions in Council which create a generalised and misleading impression of the service we provide. I do not think it helps our hard working staff, I do not think it helps our service users and I am not even sure his questions have the enthusiastic support of his own Group. I have tried to answer them nevertheless."

Question to Chairman of Finance & Property from Councillor Joyce Bosnjak

"Would the Chairman agree that £810,000 from Rushcliffe Borough Council plus £900,000 from Nottinghamshire County Council (which equates to over £1.7 million) is a very large gift to Nottinghamshire County Cricket Club from the taxpayer of Nottinghamshire, when they are being burdened with austerity measures?"

Response by Councillor John Cottee, Chairman of the Culture Committee answered on behalf of Councillor Reg Adair

"The award made by Rushcliffe Borough Council is a matter for that local authority and you would need to ask them for a response. My answer will focus on Nottinghamshire County Council's decision.

As Chairman of the Culture Committee I want to make it clear that the award agreed by this County Council at the Policy Committee to Nottinghamshire County Cricket Club was not a gift. It represents a carefully considered and reasonable investment in the sporting profile and economic and social development of this County.

First of all, as part of the funding agreement, the Nottinghamshire Cricket Club will deliver a new, three year youth social inclusion programme in the Hawtonville area of Newark, based upon the very successful original programme in Cotgrave, which has driven down youth crime, anti-social behaviour and resolved other issues within the local community. In fact, BBC Radio Nottingham ran a feature only yesterday to show how successful this has been. This programme for

Hawtonville is worth £270,000, and is a superb example of the kind of community focused innovation that effective partnership work can generate;

Second, the award of the grant will help secure for our County the most attractive package of international cricket outside London for the next four years - and potentially beyond. This is great news for the local economy at a vital time. It is estimated that continuing international cricket at Trent Bridge will generate over £30 million of economic benefit to our County from 2013-16, and will ensure that Nottinghamshire's good name is positively promoted across the world, helping to attract further international trade and visitors;

Third, the Council will enter into a long term agreement with the Cricket Club enabling us to innovatively promote the full range of our Council's services to local people across a range of platforms. This will be worth more than £500,000 over a 15 year period (approximately £34,000 per annum) and will help us to ensure that local people who need vital Council services can access them more easily and effectively. We will also be able to market Nottinghamshire as a destination for national and international tourism.

Chairman, it won't have escaped your notice that there is an election approaching and opposition councillors such as Councillor Bosnjak have a vested interest in generating and exploiting public misunderstanding of certain decisions we make. In this case it is particularly hypocritical because the previous Labour administration itself assisted the Cricket Club and Labour councillors might well have opted to do so again if they were in our position, despite suggestions to the contrary.

Without the upgrade to facilities at Trent Bridge, there was a very real threat that this historic ground would lose Test Match status. If this happened, I have no doubt that there would have been a similar, in fact bigger, public outcry, from cricket fans, local businesses and even those who do not have a direct interest. Opposition Members would then most likely be tabling opportunist questions asking "How could this happen?" and "Why did Nottinghamshire County Council not anticipate this and do more?"

I'm sure that when the opportunity for short-term political mischief-making has passed, and when future Test Matches take place, there will be a much wider public appreciation that this was the correct decision.

And I must say finally, Chairman, that I won't take lessons from Councillor Bosnjak or any other Labour Members about "burdening" the taxpayer. It was a Labour Government whose economic mismanagement created the situation we face today, and she was a member of previous Labour administrations which burdened the taxpayer with council tax increases of up to 9% and 12%, doubling council tax in the space of a decade.

It is because of savings we have made in the back office that this authority has the financial flexibility to pursue economic development opportunities such as this

without any increase to council tax in the past three years. I repeat, without any increase in Council tax for the past three years. This grant award isn't a gift, but rather, an investment that will achieve ongoing economic and social returns."

Question to the Chairman of the Culture Committee from Councillor Chris Winterton

"Nottinghamshire County Council provides information that is printed in various languages, particularly at our libraries.

Please could the Chairman confirm that reductions have been made to this service and as a result Mansfield Library has had to significantly cut the information it translates and prints into different languages?"

Response by Councillor John Cottee Chairman of the Culture Committee

"The Library service aims to provide a comprehensive range of resources including published foreign language material relevant to the needs of the local community. This includes foreign language printed books and journals. In addition, the ongoing provision of free use of the internet provides access to many foreign language publications and web sites.

The service undertook a review of newspapers and journal titles and, specifically for Mansfield Central Library when it reopened; no demand for Asian language titles was made. Nevertheless, if there are specific requests, the service will always look at these seriously and either purchase or borrow for customers. So, there is not a reduction in service, just a greater awareness of supply and demand and a commitment to achieve better value for the public money we spend.

The service has just launched a new electronic magazines service which is due to include a number of foreign language titles. More information is available on the County Council web site.

Library staff and the 'Ask Libraries' information service are geared to answer specific enquiries and will source published information, including in foreign languages, for customers. This does not include, and never has included, commissioning the actual translation of sources.

It is a fact Chairman, that local authorities have less money to spend and must make better use of it. This is an alien concept to Councillor Winterton, who was part of a Labour administration which wasted public resources and never challenged itself to deliver services in a more efficient or targeted way. It is why the Labour Group can only equate less money to a reduction in service and it illustrates exactly why they could not be fit to run this Council.

In contrast, with regard to translation services, we are working progressively with colleagues in the City to provide an improved, responsive and comprehensive service which values all of our customers.”

**REPORT OF THE CHAIRMAN OF THE ENVIRONMENT AND
SUSTAINABILITY COMMITTEE****RESPONSE TO PETITION PRESENTED TO ENVIRONMENT AND
SUSTAINABILITY COMMITTEE****Purpose of the Report**

1. To inform Council of the decision of the Environment and Sustainability Committee on the issues raised in the petition presented to the Chairman of the County Council on 5th July 2012. The petition and officer response was considered and agreed by the Environment and Sustainability Committee at their meeting on 27th September 2012.

Information and Advice

2. A petition of 277 signatures was presented to the Chairman at the meeting of County Council on the 5th July 2012 opposing "...the use of Tax-Payers money, being allocated in the form of a grant from the Nottinghamshire County Council to the Parish Council of Keyworth, to enable them to build another War Memorial in the Village of Keyworth, which we the undersigned consider to be totally unnecessary".
3. Nottinghamshire County Council received a Local Improvement Scheme suggestion form from Keyworth Parish Council in July 2011, requesting funding for the erection of a war memorial on land in public ownership. The scheme was included in the approved programme for 2012/13, subject to more detailed consultation, design work and costings being carried out.
4. Following detailed discussions with the Parish Council, the Royal British Legion and the County Councillor, however, it was agreed that it would be more appropriate for the project to be re-directed to the restoration and enhancement of the existing Memorial Gates. The Gates stand on Nottingham Road alongside the Rectory Playing Field and had already been identified as requiring refurbishment.
5. The revised project was formally agreed by Keyworth Parish Council at its meeting on the 25th June 2012 and a statement regarding the Gates was published on its website.
6. There is, therefore, no extant scheme to build another war memorial in Keyworth and the petitioners have been informed accordingly.

Reason for Recommendation

7. To update Members on the petition presented to Full Council on the 5th July 2012.

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.

RECOMMENDATION

- 1) That the contents of the report and actions be noted.

Councillor Richard Butler
Chairman of the Environment and Sustainability Committee

For any enquiries about this report please contact: Sally Gill, Group Manager Planning (0115 969 6536).

Constitutional Comments

9. The contents and proposed actions in this report are for noting only.

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.

None.

Electoral Division(s) and Member(s) Affected

Keyworth – Councillor Cottee

**REPORT OF THE CHAIRMAN OF THE TRANSPORT & HIGHWAYS
COMMITTEE****RESPONSE TO PETITIONS PRESENTED TO THE CHAIRMAN OF THE
COUNTY COUNCIL ON 1ST NOVEMBER 2012****Purpose of the Report**

The purpose of this report is to inform Council of responses to the issues raised in petitions presented to the Chairman of the County Council at the Council meeting on 1st November 2012 :

- A. Petition regarding creating a cycle lane on Epperstone Bypass.
- B. Petition requesting speed limits at Costock.
- C. Petition requesting traffic calming measures for Grange Road, Newark.
- D. Petition requesting a residents parking scheme on Lime Grove, Newark.
- E. Petition regarding a pedestrian crossing for Friary Road, Newark.
- F. Petition requesting double yellow lines on Robin Down Lane, Mansfield.
- G. Petition concerning school transport in Bilsthorpe.

A. Petition regarding creating a cycle lane on Epperstone Bypass

- 1. An e-petition containing three signatures was presented to the Chairman at the 1st November 2012 County Council meeting by Councillor Andy Stewart. The petition requested a dedicated cycle lane to alleviate safety concerns.
- 2. The cost of providing a new cycle lane along the whole length of the bypass would likely be very high and, considering its likely costs and usage, it is anticipated that it would offer low value for money.
- 3. This is because the numbers of cyclists using the Epperstone bypass (peaking at approximately 30 cyclists per day in summer) is relatively low. Also examination of the casualty records shows that between Shelt Hill and Lowdham Road there has been only one cyclist slightly injured in a collision in the last three years.

4. Safety cameras are currently being installed along the length of the A6097 (including the Epperstone bypass) to address motor vehicle casualties. The safety cameras will enforce the 50mph speed limit which should in turn help improve cyclists' perception of safety.
5. Feasibility work will be undertaken to see if a low cost cycle lane utilising only the existing carriageway and new carriageway markings can be provided at no detriment to other road users. However, if this is not possible, it is not proposed that a cycle lane is considered at this time but that the length of road is monitored to determine the effects of the safety cameras and future casualty records.

B. Petition requesting speed limits at Costock

6. A petition of 65 signatures was presented to the County Council by Councillor Reg Adair on 1st November 2012 requesting that the 30mph speed limit on Costock Road in East Leake be extended eastward to include the entrance to the sports field, youth club and pavilion.
7. There were two fatal accidents on the road length between Coctock and East Leake in 2009, but following the installation of a successful accident remedial scheme there have been no recorded injury accidents since.
8. In August, following a previous petition, the Council began consultation on a new 50mph speed limit between East Leake and Costock which included a short extension of the 30mph limit. In response to comments made as part of this process, the proposal was amended to extend the 30mph limit to cover the area requested on the petition and also to make the speed limit between East Leake and Costock 40mph.
9. This amended proposal is currently being re-consulted on and any further objections received will be considered accordingly. If no further objections are received, the proposal will be implemented in early 2013.

C. Petition requesting traffic calming measures for Grange Road, Newark

10. A petition of 67 signatures was presented to the County Council meeting on 1st November 2012 by Councillor Keith Girling from the residents of Vale View sheltered Accommodation on Grange Road in Newark. The majority of tenants at Vale View are elderly, vulnerable and have mobility issues and require mobility aids, meaning that they may not be able to cross the road as quickly as an able bodied person.
11. The petitioners are concerned about vehicles exceeding the speed limit and that there has been an increase in HGVs using Grange Road since the Asda Development. They request action to make the road safer to cross and to reduce HGV traffic.
12. A traffic count was carried out in September 2012 which assessed volumes and speeds of HGVs and showed that HGVs are only 1% of the total traffic flow on Grange Road. Because of previous concerns about HGVs using the road a count is done every May and this year this recorded 19 HGVs between 7am and 7pm compared

with an average of 36 HGVs in each of the previous 4 years. It would be difficult to justify measures to reduce such low figures, although they will continue to be closely monitored yearly and action taken as necessary.

13. Several years ago 'Elderly Persons' crossing warning signs were erected at the request of Councillor Girling to highlight pedestrian movement in the vicinity of the Vale View complex. To reinforce the impact of these signs SLOW markings in the carriageway have been installed this month.
14. The recent traffic survey has highlighted some speeding so in recognition of the vulnerability of the Vale View Residents an interactive speed sign has been included in the programme for 2013/14.

D. Petition requesting a residents parking scheme on Lime Grove, Newark

15. At the County Council meeting on 1st November 2012 documentation was presented by Councillor Stuart Wallace from residents of Lime Grove in Newark following a consultation on the introduction of a residents parking scheme on the street. The consultation involved the completion of a questionnaire where residents could indicate their support for such a scheme accompanied by a covering letter giving an introduction and an explanation of the workings of such a scheme from Councillor Wallace.
16. Councillor Wallace was approached by residents concerned about congestion and inconvenience stating that they were unable to park their vehicles on Lime Grove as it was being used by those working or shopping in the town centre wishing to avoid car park charges elsewhere. It is reported that a reply rate of 65% was achieved and of those that responded 77% were in favour of a scheme.
17. As a result of this level of support from residents, a residents parking scheme has now been included in the programme for 2013/14. Consultation will take place in the new financial year with the residents on the design of the scheme.

E. Petition regarding a pedestrian crossing for Friary Road, Newark

18. A petition of 165 signatures was presented at the County Council meeting on 1st November 2012 by County Councillor Stuart Wallace from road users and residents of the Friary Road area of Newark following a tragic accident where a 10 year old boy was knocked down and killed by a car whilst crossing the road.
19. The petitioners are requesting a pedestrian crossing is installed in the vicinity of the roundabout at the junction of Friary road and Sleaford Road to prevent similar accidents in the future.
20. Extensive investigations have been carried out by both the Police and the County Council's Crash Site Investigation Unit. These are on-going and the results will be forwarded to the Coroner for deliberation.

21. Options to provide a facility to assist pedestrians would be to install either a zebra crossing or a refuge. A refuge would require substantial widening of the existing carriageway and may have a possible adverse effect on speed at the roundabout. A zebra crossing would have limitations with regard to visibility of pedestrians. The suitability and benefits of a zebra crossing on Friary Road are still being assessed and if a crossing is justified then it will be considered for funding in 2013/14.

F. Petition requesting double yellow lines on Robin Down Lane, Mansfield

22. A 21 signature petition was presented to the 1st November 2012 meeting of the County Council by Councillor Stephen Garner. The petition is from residents from the Robin Down Lane area and requests an investigation into parking issues at the junction of Robin Down Lane and A60 Nottingham Road, Mansfield.
23. After numerous visits to site, parking was not found to be problematic or dangerous. Additionally, there have been no injury accidents at this location where parked vehicles are a factor.
24. For the restrictions to be adjusted, a new Traffic Regulation Order would be required.
25. There have been two previous requests for Robin Down Lane to be considered for parking restriction alterations. Previous investigations have shown that the existing white lining is providing adequate protection to traffic coming off the A60 so double yellow lines would have limited justification.
26. The junction will however be monitored for safe parking.

G. Petition concerning school transport in Bilsthorpe.

27. A petition of 28 signatures was presented to the County Council meeting on the 1st November 2012 by Councillor John Peck regarding the provision of transport for children attending the Joseph Whitaker School from the Bilsthorpe and Farnsfield areas. The petitioners were asking for a dedicated school bus, a seat for each child and for arrangements to be put in place for children who attend after school activities.
28. Children attending the Joseph Whitaker School from the Bilsthorpe and Farnsfield areas do so as a matter of parental preference. The County Council, in partnership with Stagecoach East Midlands (SEM), assists with the provision of transport from these local areas to school on SEM local bus service 29 which is part of a wider network serving Newark to Mansfield. In September 2012 the school session times were changed which resulted in an earlier finish. The school was advised that the timetable for the service 29 could not be changed due to other time commitments. The County Council has worked with the school and operator to find a solution and I am pleased to advise that a new afternoon service will depart from the school at the earlier time of 15:15 from the Spring Term. This has been achieved at no cost to the County Council.
29. The capacity for the service will be 60 which should meet current needs, but standing capacity on local bus services can be used if the seating capacity is exceeded.

30. It is a matter for the school to make any necessary arrangements to provide transport for after school activities but the County Council will of course work with them to source the best solution.
31. The new bus service arrangements meet all of the needs for children attending the Joseph Whitaker School from the Bilsthorpe and Farnsfield areas and provides the most efficient and effective solution.

Reason for Recommendation

32. To update members on the petitions presented to County Council on 1st November 2012.

Statutory and Policy Implications

33. 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

- 1) It is RECOMMENDED that the contents and actions taken be noted.

For any enquiries about this report please contact: Peter Barker

Constitutional Comments

34. The contents and proposed actions in this report are for noting only.

Background Papers

None

Electoral Division(s)

Farnsfield & Lowdham, Ruddington, Newark West, Newark East, Collingham, Mansfield, Rufford.

REPORT OF THE CHIEF EXECUTIVE

Clarification of Minutes of Committee Meetings published since the last meeting on 20TH December 2012

Purpose of the Report

1. To provide Members the opportunity to raise any matters of clarification on the minutes of Committee meetings published since the last meeting of Full Council on 20th December 2012.

Information and Advice

2. The following minutes of Committees have been published since the last meeting of Full Council on 20th December 2012 and are accessible via the Council website:-
<http://www.nottinghamshire.gov.uk/dms/Meetings.aspx>

Committee meeting	Minutes of meeting
Administration Committee	11 th December 2012 and 30 th January 2013
Adult Social Care and Health Committee	26 th November 2012, 7 th January and 4 th February 2013*
Appeals Sub-Committee	18 th September, 25 th September and 27 th September 2012
Audit Committee	None
Children & Young People's Committee	3 rd December 2012 and 14 th January 2013
Community Safety Committee	20 th November 2012 and 8 th January 2013
Corporate Parenting Sub-Committee	29 th October 2012
Culture Committee	22 nd November 2012, 8 th January and 5 th February 2013*
Early Years and Youth Services Sub-Committee	10 th December 2012
Economic Development Committee	27 th November 2012
Environment and Sustainability Committee	29 th November 2012 and 17 th January 2013
Finance and Property Committee	17 th December 2012 and 21 st January 2013
Grant Aid Sub-Committee	26 th November 2012
Health Scrutiny Committee	12 th November 2012
Joint City/County Health Scrutiny Committee	11 th December 2012 and 15 th January 2013

Joint Committee on Strategic Planning and Transport	None
Nottinghamshire Pensions Fund Committee	9 th July 2012
Pensions Investment Sub-Committee	8 th November 2012
Pensions Sub-Committee	None
Personnel Committee	7 th November 2012
Planning & Licensing Committee	18 th December 2012 and 22 nd January 2013
Policy Committee	12 th December 2012 and 16 th January 2013
Rights of Way Committee	28 th November 2012 and 23 rd January 2013*
Shadow Health and Wellbeing Board	7 th November 2012, 16 th January 2013*
Transport and Highways Committee	22 nd November 2012 and 10 th January 2013

* Minutes expected to be published before 28th February 2013, but not yet approved by the relevant Committee.

Mick Burrows
Chief Executive

REPORT OF SERVICE DIRECTOR HR AND CUSTOMER SERVICE**NOTTINGHAMSHIRE COUNTY COUNCIL'S PAY POLICY STATEMENT
2013-2014****Purpose of the Report**

1. To seek the approval of the County Council to the updating of the authority's Pay Policy Statement for the financial year 2013-2014, which reflects the known situation as at 1st February 2013.

Information and Advice**Background**

2. Nottinghamshire County Council is committed to good governance and openness to public scrutiny and accountability. As part of this on-going commitment the Council wishes to continue to demonstrate that decisions on the pay and reward packages for its Chief Executive and senior officers have been made in an open, transparent and accountable manner.
3. Under the terms of the Accounts and Audit (England) Regulations 2011 the Council publishes on its website, and regularly updates, information about its most senior officer's pay, including information relating to the Chief Executive and Corporate Directors.
4. Section 38 of the Localism Act 2011 Act set out the requirement for all Local Authorities in England and Wales to publish annual Pay Policy Statements with effect from the financial year 2012-13 onward.
5. This requirement does not extend to school based staff.
6. The legislation and supporting Government guidance, which has not been amended or updated since the requirement was introduced, identifies the statutory contents of a Pay Policy Statement and how it should be presented. The core requirements of the provisions of the Localism Act are that a Pay Policy Statement must set out the Authority's policies relating to:
 - Chief Officer remuneration:

The level and elements of remuneration for each Chief Officer (including salary, any bonuses/performance related pay, charges/fees/allowances, benefits in kind, enhancement to pension at termination).

The definition of a Chief Officer adopted by the Act is, as defined by the Local Government and Housing Act 1989, any post that reports directly to the statutory Chief Officer, the Chief Executive, in the case of this Authority this currently applies to Corporate Directors, and those who report to them (Service Directors).

- Remuneration of its lowest paid employees:

The definition used for this group and the reason for adopting this definition.

- The relationship between Chief Officer Remuneration and that of other staff.
- 7 The Pay Policy Statement must by law be approved by full Council in advance of the financial year to which it relates and must be published in the public domain on the Council's website by 1st April each year.
 8. The Council's initial Pay Policy Statement was agreed by Full Council on 29th March 2012 and was published on the Council's public website on 30th March 2012.
 - 9 The updated Statement was considered by Personnel Committee on 23rd January 2013 and a recommendation made to submit to Council for approval.
 - 10 Legislation provides for Pay Policy Statements to be amended as necessary during the financial year concerned, with Full Council approval, to reflect any necessary changes.

Pay Policy Statement

- 11 In drafting this Pay Policy Statement the Council has used the guidance available from the national employer's organisation and the Government as set out in paragraph 6 of this report.
- 12 The focus of the legislation relates to the overall pay policy and not individual post holders. The guidance does however allow Local Authorities discretion over some additional areas of supporting content. As part of the County Council's commitment to transparency and public accountability, the Council's Pay Policy Statement extends beyond the basic statutory requirements and pulls together a wide and comprehensive range of information on pay and remuneration in one place and presents it in a simple, consistent format in order that the public can understand:
 - How the Council determines pay and terms and conditions for all staff
 - What the Council pays its employees
 - The context and rationale behind decisions
 - How senior officer remuneration relates to that of other employees
- 13 The key principles underpinning the Pay Policy Statement are that the Council:
 - Has the right to determine senior officer pay locally

- Has ensured that senior officer pay and terms and conditions are in line with those applicable to other employees
 - Needs sufficient flexibility to cope with a variety of changing circumstances such as market factor supplements
 - Is committed to openness, transparency and public accountability
 - Needs to reflect local circumstances such as shortage of particular key skills
 - Is committed to equity and fairness of treatment across the whole workforce
- 14 A copy of Nottinghamshire County Council's Pay Policy Statement 2013-2014, which sets out the position as at 1st February 2013, is attached as **Appendix A**.

Other Options Considered

- 15 The focus of the Pay Policy statement is on ensuring that the Council complies with the requirement under the Localism Act to have a Pay Policy Statement and to publish this annually. In addition, the Council has sought to pull together all of the information on the policies relating to pay and remuneration and publish this for public scrutiny in a way which enables the public to understand the operational context and decisions made and rationale for these.
- 16 This Statement can be amended during the financial year as necessary to reflect the prevailing legislation at the time or as emerging practice or clarification of guidance necessitate.

Reason for Recommendation

- 17 To ensure that Nottinghamshire County Council is legally compliant in terms of the publication of a Pay Policy Statement and accountable to the public of Nottinghamshire.

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.

Equality Implications

The council's pay and grading structure is based on a "points to pay" relationship determined through Job Evaluation as a mechanism to ensure the consistent evaluation of the relative value of job roles across the council. This in turn ensures a fair, open and transparent pay and reward structure that is affordable and supports the equal treatment of all employees in respect of their pay, terms and conditions; is compliant with Equal Pay legislation and Single Status requirements. The Council's policies on pay and terms and conditions apply equally to employees at all levels of seniority across the authority.

HR Implications (CG 24.1.13)

The HR implications are contained within the body of the report. The Pay Policy Statement pulls together existing policies in relation to pay and terms and conditions, which have previously been agreed by elected members, and publishes these for wider public scrutiny.

The trades unions were consulted on the draft Pay Policy Statement as part of the discussion at Personnel Committee on 23rd January 2013 and will be informed of any proposed changes and as part of the annual review of the Pay Policy Statement.

RECOMMENDATION

- 1 It is recommended that Full Council approve the Pay Policy Statement, **as appended**, which sets out the Council's existing policies, procedures and terms and conditions of employment for all staff for publication on the Council's website by 1st April 2013.

Councillor Andy Stewart
Cabinet Member for People and Performance

For any enquiries about this report please contact:

Claire Gollin, Group Manager HR on 0115 9773837 or claire.gollin@nottsc.gov.uk

Constitutional Comments (KK 25.1.13)

- 19 Full Council is responsible under the constitution for approving the annual Senior Office Pay Policy Statement. The proposal in this report is therefore within the remit of Full Council.

Financial Comments (SEM 28.1.13)

- 20 There are no specific financial implications arising from the 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:

- Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act – DCLG 17th February 2012
- Localism Act 2011- Chapter 8 “Pay Accountability” – 15TH November 2011

- Code of Recommended Practice for Local Authorities on Data Transparency (DCLG) – September 2011
- The Hutton Report on Fair Pay in the Public Sector – 2011
- Equality Impact Assessment

Pay Policy Statement Appendices

- Nottinghamshire County Council Top Level Structure Chart February 2013 (Appendix 1)
- Chief Officer Pay at Nottinghamshire County Council February 2013 (Appendix 2)
- Local Government Scheme - Salary scales 2009, 2010, 2011 and 2012 (Appendix 3)
- Nottinghamshire County Council's Grading Policy (Appendix 4)
- Nottinghamshire County Council's Process for Assessment and Approval of Market Factor Supplements (MFS) (Appendix 5)
- Nottinghamshire County Council's Policy on Acting up and Honoraria Payments (Appendix 6)
- Nottinghamshire County Council's Policy on Redundancy and Early Retirement (Appendix 7)
- Nottinghamshire County Council's Redundancy Payment Calculator (Appendix 8)
- Nottinghamshire County Council's Policy on Flexible Retirement (Appendix 9)
- Nottinghamshire County Council's Policy on the Re-employment or Re-engagement of Former Employees (Appendix 10)
- Nottinghamshire County Council's Policy on the Payment of Travelling Allowances (Appendix 11)
- Nottinghamshire County Council's Policy on the Payment of Subsistence Allowances (Appendix 12)
- Nottinghamshire County Council's Pay Protection Policy (Appendix 13)
- Nottinghamshire County Council's Car Leasing Scheme (Appendix 14)
- Extract from Nottinghamshire County Council's Constitution Part 6 Section C, Employment Procedure Rules (March 2012) (Appendix 15).

Electoral Division(s) and Member(s) Affected

All

Pay Policy Statement

2013-14

1st February 2013.

CONTENTS:

- 1. Introduction and Purpose:**
- 2. Background**
- 3. Organisational context**
- 4. Determination of pay and terms and conditions**
- 5. Relationship between highest and lowest paid employees:**
- 6. Level and elements of remuneration of Chief Officers:**
- 7. List of appendices:**
 - Appendix 1 - Nottinghamshire County Council Top Level Structure Chart Jan 2013
 - Appendix 2 - Chief Officer Pay at Nottinghamshire County Council Jan 2013
 - Appendix 3 - Local Government Scheme - Salary scales 2009, 2010 2011 and 2012.
 - Appendix 4 - Nottinghamshire County Councils Grading Policy
 - Appendix 5 - Nottinghamshire County Council's Process for Assessment and Approval of Market Factor Supplements (MFS)
 - Appendix 6 - Nottinghamshire County Council's Policy on Acting up and Honoraria Payments
 - Appendix 7 - Nottinghamshire County Council's Policy on Redundancy and Early Retirement
 - Appendix 8 - Nottinghamshire County Council's Redundancy Payment Calculator
 - Appendix 9 - Nottinghamshire County Council's Policy on Flexible Retirement
 - Appendix 10 - Nottinghamshire County Council's Policy on the Re-employment or Re-engagement of Former Employees
 - Appendix 11 - Nottinghamshire County Council's Policy on the Payment of Travelling Allowances
 - Appendix 12 - Nottinghamshire County Council's Policy on the Payment of Subsistence Allowances
 - Appendix 13 - Nottinghamshire County Council's Pay Protection Policy
 - Appendix 14 - Nottinghamshire County Council's Car Leasing Scheme
 - Appendix 15 - Extract from Nottinghamshire County Council's Constitution Part 6 Section C, Employment Procedure Rules (March 2012).

1. PURPOSE AND SCOPE:

1.1 The purpose of a Pay Policy Statement is to increase accountability in relation to payments made to senior employees in the public sector, in particular those in local authorities, by enabling public scrutiny.

1.2 Section 38 (1) of the Localism Act 2011 requires all local authorities in England and Wales to produce and publish a Pay Policy Statement for each financial year from 2012-13 onward. Nottinghamshire County Council published its initial Pay Policy Statement on 30th March 2012.

1.4 As specified in the Act this requirement does not extend to schools and this Statement does not therefore include school based employees.

1.3 The requirements of the Localism Act in respect of transparency about senior pay build on the Accounts and Audit (England) Regulations 2011 with which the County Council is also compliant; published details of the remuneration of its Chief Executive and Corporate Directors can be found on the Council's public website.

1.5 A Pay Policy Statement must articulate the Council's own policies towards a range of issues relating to the pay of its workforce, in particular its Chief Officers, as defined by the Local Government and Housing Act 1989 and to its lowest paid employees.

1.6 Nottinghamshire County Council's Pay Policy Statement meets the mandatory requirements of the Act and provides information on Nottinghamshire County Council's Pay and Conditions of Service for its Chief Officers in comparison to the majority of the workforce employed on Local Government Scheme (LGS) terms and conditions.

Specifically it covers the Council's policy on the following points:

- the level and elements of remuneration for each Chief Officer
- the remuneration of the Council's "lowest paid employees"
- the relationship between the remuneration of Chief Officers and other officers
- other aspects of Chief Officers' remuneration including remuneration on recruitment, increases and additions to remuneration, use of performance related pay and bonuses, termination payments.

1.7 This pay policy statement includes all direct employees covered by the National Joint Council (NJC) for Local Government Services national agreement on pay and conditions of service and those covered by the Joint Negotiating Committee (JNC) conditions of service for Chief Executives and Chief Officers. It excludes the small numbers employed on Youth and Community Worker national terms and conditions, or Craft Workers or Soulbury conditions of service.

1.8 **Appendix 1.** contains a structure chart of all Chief Officers, as defined by the Local Government and Housing Act 1989, employed by the Council as

at **1st February 2013**, that is, posts that report directly to the Chief Executive or to a post that itself reports directly to the Chief Executive.

For the purpose of this pay policy statement therefore, the definition of “Chief Officer” at Nottinghamshire County Council is:

- Chief Executive
- Corporate Directors
- Service Directors

1.9 All Chief Officers are directly employed by the Council.

1.10 Nottinghamshire County Council’s Pay Policy Statement reflects the wide definition of “remuneration” within the Act. This includes not just pay but also charges, fees, allowances, benefits in kind, increases in or enhancements of pensions and termination payments.

1.11 This Pay Policy Statement will be published on the Council’s website by **1st April 2013**.

1.12 This Statement will be reviewed annually and amended as necessary to reflect the prevailing legislation at the time; with Full Council approval as required.

1.13 This Statement will be complied with on each occasion when the Council sets the terms and conditions for a Chief Officer.

1.14 Unless otherwise stated the information and data in this Statement is current as at **1st February 2013**.

2. ORGANISATIONAL CONTEXT:

2.1 The following information outlines the Council’s operating basis and general position in respect of employment, pay and conditions of service and is pertinent to the requirements of the Localism Act.

2.2 Nottinghamshire is now the 11th largest local authority in England with an estimated population of 786,800 (source: ONS mid 2011 population estimate for Nottinghamshire based on the results of the 2011 Census).

2.3 The Council is the largest employer in the county with a headcount of 9644 directly employed staff, as at 31st January 2013 (excluding those in schools), a significant proportion of whom provide a range of nearly 500 direct services to the public.

2.4 The Council’s gross budget in 2012/13 is £1.2 billion of which £0.9 billion is for the direct running costs of service delivery and £0.3 billion relates to staffing costs. The Council’s budget is financed by a combination of general

income £0.1 billion, formula grant £0.2 billion, dedicated schools grant £0.5 billion, general grants £0.1 billion and Council tax £0.3 billion.

2.5 Five posts currently work within the national conditions of service covered by the JNC for Chief Executives and Chief Officers, these being the Chief Executive, and four posts of Corporate Director. These posts constitute the Council's Corporate Leadership Team.

2.6 With the transfer of Public Health from the NHS into the County Council on 1st April 2013 the post of Director of Public Health for Nottinghamshire County will become part of the Council's Corporate Leadership Team.

2.7 All other employees defined by the Localism Act as Chief Officers, including Service Directors, work within the national conditions of service covered by the NJC for Local Government Employees.

3. DETERMINATION OF PAY AND TERMS AND CONDITIONS:

3.1 Nottinghamshire County Council continues to subscribe to national pay bargaining through the National Joint Council (NJC) on which the local government employers are represented by the Local Government Association (LGA).

3.2 The Council fully implemented "Single Status" in 2008 (this term was designed by the national employers and trade unions to describe the equal treatment of all employees in respect of their pay, terms and conditions).

3.3 Arising from this the Council has an established pay and grading structure which is based on a "points to pay" relationship determined through a Job Evaluation process.

3.4 Job Evaluation:

3.4.1 The consistent evaluation of the relative value of job roles across the Council ensures a fair, open and transparent pay and reward structure that is affordable and compliant with Equal Pay legislation and Single Status requirements.

3.4.2 The County Council continues to use two job evaluation schemes to evaluate the work of its employees using trained in-house Job Analysts for all posts other than posts at Service Director level which are subject to an independent Hay Analysts.

Hay scheme:

3.4.3 The Hay Group method of job evaluation was selected by the Council as it has been used extensively across the public sector and particularly in local government. It provides a coherent model to compare dissimilar jobs and the characteristics of different levels of work.

3.4.4 There is a specific criteria for determining if the post should be evaluated using the Hay scheme as outlined in **Appendix 4**.

3.4.5 If a job scores less than 175 points (band A) under the Hay scheme, the job will then be evaluated under the National Job Evaluation scheme and that score will determine the grade.

National Job Evaluation (NJE) scheme:

3.4.6 All other jobs are evaluated under the National Job Evaluation scheme. To ensure consistency across the Council, a joint Moderating Panel sits regularly to quality assure the work of the in-house Job Analysts.

3.4.7 The evaluated job score equates to a pay band on the Council's Salary Scale which is attached as **Appendix 3**.

3.4.8 The Hay Group and NJE Job Evaluation Schemes will continue to be used to establish pay grades for all jobs covered by the NJC, including Service Directors.

3.4.9 A copy of the Council's Grading Policy is attached as **Appendix 4**. This is currently being updated to reflect a change in the process which with the information to evaluate a post is gathered. The principles outlined in the policy and the schemes used have not changed.

3.5 Performance Related Pay:

3.5.1 Nottinghamshire County Council has not introduced Performance Related Pay. The Council has a Competency Framework which provides a standard set of behaviours applicable to all employees against key role descriptors at a range of levels, including Chief Officers. This assessment informs individuals' learning plans and supports effective service delivery but is not related to pay.

3.6 Pay awards and increases:

3.6.1 Nottinghamshire County Council adheres to national pay bargaining in respect of the national pay spine and any annual cost of living increase negotiated on the pay spine. The last annual pay rise for Chief Executives of

local authorities was awarded nationally in April 2008 and the last annual pay rise for other employees was awarded nationally in 2009.

3.6.2 The LGA currently remain in negotiation with the Trade Unions Side of the NJC about the pay offer for 2013/14.

3.6.3 Nottinghamshire County Council has given consideration to the adoption of the “Living Wage” for the U.K. This is a non-statutory minimum hourly rate set independently and updated annually, calculated according to the basic cost of living in the UK. Employers choose to pay the Living Wage on a voluntary basis. The current Living Wage is set at £7.45 per hour outside London.

3.6.4 The current position of the Council is that it will not be adopting the living wage due to considerations of practicality and affordability. The Council takes the view that the Living Wage is a matter for national, rather than local consideration and determination through the NJC.

3.6.5 Similarly, Nottinghamshire County Council have also considered, but are not currently planning to implement, the trade union’s request for local authorities to implement a £250 pay increase for those earning less than £21,000 as an exception to the pay freeze for the public sector workforce arising from the Government’s Budget Statement on Public Sector Pay April 2010.

3.6.6 The LGA has made no formal recommendation to local government employers to implement this part of the Government announcement.

3.7 Incremental salary progression:

3.7.1 The Chief Executive and Corporate Directors are on fixed salaries. That is, no incremental progression applies.

3.7.2 The LGA do recommend that local authorities continue to pay contractual annual increments within their agreed pay bands. Nottinghamshire County Council have complied with this and all other employees receive contractual annual increments up to the maximum spinal column point of the evaluated salary band for their post.

3.7.3 In effect therefore employees below Chief Officer level, other than those already at the top of their pay band in April 2010, have had some subsequent increase to their contractual pay.

3.8 Pensions:

3.8.1 The directly employed staff who are the subject of this policy, including Chief Officers, are covered by the Local Government Pension Scheme. Employees who opt into the Local Government Pension Scheme (LGPS) pay contributions from their salary dependent on earnings as set out in the LGPS Regulations in the table below:

Pension Scheme Contributions - Standard pay band table 2012 / 2013:

Band	Range	Contribution Rate
1	£0 - £13,500	5.5%
2	> £13,500 - £15,800	5.8%
3	> £15,800 - £20,400	5.9%
4	> £20,400 - £ 34,000	6.5%
5	> £34,000 - £45,500	6.8%
6	> £45,500 - £ 85,300	7.2%
7	> £85,300	7.5%

The pay band ranges will be increased each April in line with the cost of living.

3.8.2 These provisions apply equally to Chief Officers whose salaries place them in the top of the band range. Chief Officers, who are members of the scheme, therefore contribute 7.5% of their salary to their membership of the scheme.

3.8.3 The Employers contribution to the pension of all employees at all levels is currently 18.3%.

3.9 Professional fees:

The professional fees of qualified Solicitors and Legal Executives and Architects employed by the Council are paid annually by the Council to enable them to continue to practice. .

Following the conclusion of an informal dispute, a local agreement was reached in January 2013 for the Council to make a one off payment for 2012/13 only to cover the fee of registration with their professional body (HCPC), for those Social Workers and Occupational Therapists who could provide proof of registration. Thereafter payment of professional fees for these occupational groups will continue to be a personal responsibility.

No professional fees are paid for any other employee groups, including Chief Officers

3.10 Acting Up Allowances and Honoraria:

3.10.1 Nottinghamshire County Council's policy on the payment of Acting Up Allowances and Honoraria is set out in **Appendix 6**. Under current Budget Control measures such payments are only made on an exception basis on the submission of a full business case, at the discretion of the appropriate Chief Officer.

3.11 Overtime and other additional payments:

In line with the NJC national agreement on pay and conditions of service, employees on spinal column point 28 (£23,708) and below are entitled to additional payments when required to work:

- on Saturday or Sunday
- on public holidays
- at night
- sleeping in duty
- split shifts
- beyond the full time equivalent hours for the week in question

Members of the Corporate Leadership team are expected to be on call at all times as part of their duties and responsibilities and receive none of the additional payments available to other employees.

3.12 Car Leasing Scheme:

3.12.1 The Council's scheme (**Appendix 14**) applies to all employees including Chief Officers. At present no Chief Officers are using vehicles leased under the provisions of the scheme as indicated in **Appendix 2**

3.13 Payment of expenses:

3.13.1 Where claimed, expenses incurred by staff, including Chief Officers, in the course of carrying out their duties are paid in line with the Council's Travel and Accommodation Policy. This is part of the nationally agreed terms and conditions of service supplemented by the Council's local conditions as laid down in its policies on Travelling Allowances (**Appendix 11**), and Subsistence Allowance (**Appendix 12**). All expenses claimed by the Chief Executive and Corporate Directors are published on the County Council's website.

3.14 Pay Protection:

3.14.1 The Council's Pay Protection Policy was last reviewed as part of the package of changes to terms and conditions and associated policies implemented in April 2010 in response to budget pressures. A copy is attached as **Appendix 13**.

3.14.2 This policy is used in circumstances where the duties of a post change and following revaluation the grade for the post goes down or where individuals are redeployed to a lower graded post to protect them from redundancy.

3.14.3 All employees receive salary protection for a period of two years, but with salary being frozen at the point at which pay protection starts, i.e., employees will not receive any subsequent incremental increases or any annual cost of living pay awards. At the end of the protection period the

employee reverts to the maximum spinal column point or spot point of the substantive grade of their post.

3.15 Redundancy compensation payments:

3.15.1 Contractual notice and redundancy pay in relation to a redundancy is as set out in the Council's policy on Redundancy and Early Retirement which applies to all employees of the Council, including Chief Officers (**Appendix 7**). If the employee is aged 55 or over, under LGPS Regulations they can, by agreement, access their pension benefits without any reduction.

3.15.2 Local Authorities are able to grant, at their discretion, benefits in excess of the statutory provisions for payments to employees who cease their employment prematurely on the grounds of redundancy. Under the Equality Act 2010, Local Authorities are required to develop and publish their own policy on the award of any discretionary redundancy payments for loss of employment.

3.15.3 Nottinghamshire County Council has exercised this discretion to apply a multiplier of 1.65 on the statutory redundancy formula based on age and local government service, capped at 30 years reckonable service. A copy of Nottinghamshire County Council's redundancy payment calculator is contained in **Appendix 8**.

3.15.4 Contractual redundancy payments are therefore calculated using the discretionary formula which already includes the statutory element. This allows up to 50 weeks actual salary (dependent on age and length of service) regardless of whether the individual is under or over 55 years of age or whether the individual concerned is in the LGPS pension scheme.

3.15.5 No other additional payments or enhancements are payable.

3.15.6 This policy applies to all direct employees, including Chief Officers.

3.16 Payment on retirement:

3.16.1 Employees may also leave the employment of the Council under the following types of termination:

Efficiency of the service - As set out in the Council's policy on Redundancy and Early Retirement this provision would only be used in very exceptional circumstances.

Flexible Retirement - As set out in the Council's policy on Flexible Retirement (**Appendix 9**) employees may apply to access their pension from age 55 but remain working at the Council either on reduced pay or reduced hours. Due to the associated Pension Strain costs this provision has not been applied to Chief Officers.

3.16.2 Under the terms of the LGPS Regulations employees may also retire on the basis of age:

Age Retirement - Under Pension Regulations employees, including Chief Officers, may automatically access their pension benefits, currently from age 60, when they leave employment. As permitted under the Employment Equality (Age) Regulations 2006, the Council does not operate a default retirement age whereby employees are dismissed at age 65.

Early Retirement - As set out in the Council's policy on Redundancy and Early Retirement, under LGPS regulations, employees can request access to their pension from age 55 with the Council's consent, and the Council may choose to waive the actuarial reduction.

3.16.3 Re-engagement of former employees:

Nottinghamshire County Council's policy on the Re-employment and Re-engagement of Former Employees is set out in full in **Appendix 10** and applies to all employees, including Chief Officers. Where the former employee has previously received a voluntary or compulsory redundancy payment, part or all of the compensatory element of the redundancy payment may be recovered and abatement of pension could apply.

4. RELATIONSHIP BETWEEN HIGHEST AND LOWEST PAID EMPLOYEES:

4.1. Highest and lowest paid employees:

4.1.1 The Council's highest paid employee is its Chief Executive (£184,410).

4.1.2 For the purpose of this Pay Policy Statement, the definition of "Lowest Paid Employee" at Nottinghamshire County Council is LGS employees on Grade 1 spinal column point 4, equating to £12145 annual basic pay (£6.31 per hour) . This is the lowest pay point and salary offered for a substantive post at the Council and exceeds the statutory National Minimum Wage, currently set at a maximum of £6.19 per hour for employees over 21 years of age.

4.1.3 Currently, approximately **76%** of the Council's employees on NJC terms and conditions are paid at or above the nearest full time equivalent point to the Living Wage for people over age 21 (see section 3.6.3 above) on the Council's pay spine (point 11)

4.2 Relationship between the Pay of the Highest and Lowest Earner:

4.2.1 When expressed as a multiplier of pay, the Chief Executive's salary is currently 15:1 greater than that of the Council's lowest earner.

4.3 **Median Pay of Workforce:**

4.3.1 For the purpose of this Pay Policy Statement, Nottinghamshire County Council has based the calculation of its “average basic pay” on Government guidance (DCLG) which requires use of the Median figure.

4.3.2 As at 1st January 2013, the Council’s **Median pay** was: £17,161 per annum (approx spinal column point 18 on the Council’s pay scale).

4.4 **Pay Multiple:**

4.4.1 The relationship between the Chief Executives pay and that of the Council’s median earner (£17,161) is a ratio of 11:1.

4.4.2 Nottinghamshire County Council does not currently have a policy of maintaining or reaching a specific pay multiple target.

5. LEVEL AND ELEMENTS OF REMUNERATION OF CHIEF OFFICERS:

5.1 The pay of Chief Officers at Nottinghamshire County Council is determined by its democratically elected representatives through its Personnel Committee which, under current constitutional arrangements, has delegated authority from the County Council to make decisions on behalf of the Council relating to pay, terms and conditions (**see Appendix 15**)

5.2 Under current Constitutional arrangements, Chief Officer appointments are made by elected members on the Senior Staffing Sub Committee which is a sub committee of the Policy Committee

5.3 The comparative level of remuneration of each Corporate Director is decided on the basis of their particular accountabilities and responsibilities (including any statutory responsibilities) and the size of the job, taking into account the range of services provided the number of employees and the size of the population within their remit. This is supported by information from the Hay Group on median pay rates for comparative roles of a similar size in a range of public sector organisations across the country.

5.4 The table at **Appendix 2** sets out a comprehensive breakdown of all pay related terms and conditions offered to the Council’s 20 Chief Officers and are in line with those which apply to other members of staff.

5.5 Remuneration of Chief Officers on recruitment:

5.5.1 The starting salary of the Service Directors falls within the pay band for their job, as set out in **Appendix 2 and 3**, and is subject to annual incremental progression to the top point of the pay band.

5.5.2 New Service Directors will normally start on the minimum pay point for their pay banding and will not be offered more than the maximum. In seeking

to appoint from outside the Council there may be a need to offer more than the minimum of the grade to secure the appointment of the preferred candidate. In any case the starting salary offered will not be more than the maximum of the pay band for the evaluated grade of the job unless another policy such as Market Factor Supplements is applicable.

5.5.3 On appointment, a Chief Executive or Corporate Director will be appointed to the agreed spot salary for their post.

5.6 Returning / Counting Officer's Fee:

5.6.1 In Nottinghamshire, the County Council's Chief Executive is the Chief Officer nominated as Returning Officer in charge of the running of Local, European, Parliamentary Elections and National Referenda. The Council does not govern the fee payable for these elections as it is funded by central government and is therefore not related to Nottinghamshire County Council's terms and conditions. The fee paid to the County Council for the Chief Executive undertaking this function is retained by the Council. The Chief Executive receives no additional remuneration.

5.7 Deputy Chief Executive

The Council makes an additional payment of £416.67 per month to the Corporate Director nominated to formally deputise for the Chief Executive. Currently this is the Corporate Director Adult Social Care, Health and Public Protection.

5.8 Monitoring Officer's Fee:

5.8.1 The Council's Corporate Director, Policy Planning and Corporate Services currently fulfils the statutory obligations of the Monitoring Officer to ensure Nottinghamshire County Council, its officers, and its elected Councillors maintain the highest standards in all they do. The Monitoring Officer's legal basis is found in [Section 5 of the Local Government and Housing Act 1989](#); as amended by the Local Government Act 2000. This duty was taken into consideration in the evaluation of the salary of the Corporate Director Policy, Planning and Corporate Services post under the Hay Group Job Evaluation scheme. The postholder also undertakes the Monitoring Officer role to the Police and Crime Panel but receives no additional remuneration for this work.

5.9 Section 151 Officer

5.10.1 In Nottinghamshire County Council this responsibility under the local Government Act 1972 is undertaken by the Service Director Finance and Procurement. This duty was taken into consideration in the evaluation of the salary of the Service Director Finance and Procurement under the Hay Group Job Evaluation scheme. No separate payment is made for undertaking this function.

5.10 Payments to Chief Officers on ceasing to hold office or be employed by Nottinghamshire County Council:

5.10.1 To ensure accountability is maintained Under Part 6 c of the Council's current Constitution (**Appendix 15**), under delegated powers from Full Council, the Senior Staffing Committee is responsible for the appointment and dismissal of and the taking of disciplinary action against senior employees, that is the Chief Executive, Corporate Directors and Service Directors, this includes the Monitoring Officer and Section 151 Officer.

5.10.2 The Council's payment to Chief Officers leaving the Council is made under the same types of termination and same rules as for other employees as set out in section 3 above and the relevant policies.

Appendices:

See separate documents listed as background papers.

REPORT OF THE LEADER OF THE COUNCIL**NOTTINGHAMSHIRE ANNUAL RESIDENTS' SATISFACTION SURVEY 2012****Purpose of the Report**

- 1 To present the final findings of the 2012 Nottinghamshire Annual Residents' Satisfaction Survey.

Information and Advice

- 2 In July 2012 the Council commissioned an independent research company, Enventure Research, to carry out a face to face annual tracker survey on their behalf. The aims of this survey were to gather the views of Nottinghamshire residents on a number of issues, including satisfaction with the Council, the local area, value for money, quality of life and health and wellbeing – broadly designed to reflect the themes of the Strategic Plan and Health and Wellbeing Board priorities. This information helps the Council to understand the views and priorities of local residents and will be taken into account when decisions are made about Council plans and services.
- 3 The survey design used local based quota sampling techniques to achieve a sample that was representative of the Nottinghamshire population (nearly 785,000 according to the Census 2011 data). Quotas were set on district, gender, age, working status and ethnicity according to the most up to date population data (Census 2011, Annual Population Survey 2012, Mid-2010 Population estimates). Disability and ward classification (urban, town & fringe and village, hamlet & isolated dwelling) was also monitored to ensure representation across all groups.
- 4 Following the conclusion of the face-to-face survey in the Autumn of 2012, an interim report was presented to Full Council on 20 December outlining the rationale and methodology and giving initial headline findings.
- 5 The final research report has now been received and the parts relevant to Nottinghamshire County Council are detailed in **appendix A** for information. Reference to partner organisations has been removed and is available as a background paper.
- 6 To understand how levels of satisfaction and perceptions have changed over time, data from the citizens' panel survey 2011 and the Place Survey 2008 have been included for comparative purposes. The methodologies used for the previous surveys were different to the 2012 survey and as such comparisons need to be treated with caution due to the differences in the data collection. However, broad comparisons and analysis of trends have been made to provide context where possible, and this survey will provide a robust set of trend data on an annual basis in the future.

- 7 The report captures local people's views, experiences and perceptions and includes tables and charts broken down by geographical areas, and demographic subgroups including age, gender and working status. The outlook from the survey is positive. Even with the current challenges, the vast majority of residents are positive on key indicators of general satisfaction.
- 8 The results for Nottinghamshire County Council are made up from an amalgamation of the seven district scores. The report incorporates findings in relation to Health and Wellbeing, including smoking prevalence, alcohol consumption and mental health and wellbeing, which are key issues for the Health and Wellbeing Board.
- 9 At its meeting in December, Full Council agreed that the Council continues with an annual satisfaction survey in future years, which will enable residents' views to be tracked over time and ensure they continue to influence service priorities.

Reason for Recommendation

- 10 This is a report outlining the detailed findings of the 2012 Nottinghamshire Annual Satisfaction Survey.

Statutory and Policy Implications

- 11 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

- 1) That Full Council notes the final report of the 2012 Nottinghamshire Annual Residents' Satisfaction Survey.

For any enquiries about this report, please contact: Angela Smeeton, Senior Consultation Officer on 0115 9772937 or email angela.smeeton@nottscc.gov.uk

Constitutional Comments [SLB 07/02/2013]

1. This report is for noting only.

Financial Comments [MB 12/02/13]

2. There are no specific financial implications arising from the report.

Background Papers and Published Documents

Information pertaining to partner organisations.

Electoral Division(s) and Member(s) Affected

All



Nottinghamshire County Council (excluding partners)

Nottinghamshire Annual Satisfaction Survey 2012

Report

November 2012

Enventure Research

Titan Business Centre, Titan House, Central Arcade, Cleckheaton, West Yorkshire, BD19 5DN
t: 01274 877888 f: 01274 877555 W: www.enventure.co.uk



Enventure Research

Prepared by:
Dr Joanne Harvatt, Research Manager

Reviewed by:
Mark Robinson, Managing Director

Head Office:
Titan Business Centre, Titan House, Central Arcade, Cleckheaton, West
Yorkshire, BD19 5DN
T: 01274 877888
F: 01274 877555

London Office:
Smithfield Business Centre, 5 St John's Lane, London, EC1M 4BH
T: 0207 549 1616

W: www.enventure.co.uk E: info@enventure.co.uk





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Executive Summary

Introduction and Methodology

This summary presents the findings from the 2012 Nottinghamshire Annual Satisfaction Survey conducted by Enventure Research.

The Annual Satisfaction Survey plays an important role in capturing local people's views, experiences and perceptions of value for money, communication channels, quality of life and health and well-being from the Council's public services.

The results for Nottinghamshire County Council are made up from an amalgamation of the seven Districts and Boroughs:

1. Ashfield District Council
2. Bassetlaw District Council
3. Broxtowe Borough Council
4. Gedling Borough Council
5. Mansfield District Council
6. Newark & Sherwood District Council
7. Rushcliffe Borough Council

The research was conducted via a face-to-face, on-street survey with residents aged 18 or over, across Nottinghamshire. A quota sample of 1,063 respondents was interviewed between 1 - 26 October 2012. To identify differences between residents of Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood and Rushcliffe, approximately 150 respondents were interviewed in each District.

Overall, the survey provides representative evidence across a range of geographical areas and social segments (including, gender, age, ethnicity, disability and working status).

Summary of Key Findings

Overall, the results of the 2012 Annual Residents' Satisfaction Survey presents a very positive picture for Nottinghamshire County Council. There has been improvement across the majority of the strategic performance indicators since the 2011 Citizens' Panel Survey.

Perceptions of the Local Area

Over four in five (84%) of Nottinghamshire respondents are satisfied with their area as a place to live, increasing from 83% in 2011.

Satisfaction with the Local Authority

Just over two thirds (63%) of Nottinghamshire respondents are satisfied with the way the County Council runs things, increasing from 47% in 2011.



Almost half (47%) of Nottinghamshire respondents agree that the County Council provides them with value for money, increasing from 25% in 2011.

Advocacy

Two in five (41%) would speak positively of the County Council with or without being asked, increasing from 17% in 2011. Only 12% would speak negatively with or without being asked, decreasing from 26% since 2011.

Information Provision

Just over three in five (62%) of Nottinghamshire respondents feel informed about the services and benefits the County Council provides, increasing from 59% in 2011.

Over half (55%) of Nottinghamshire respondents recall receiving 'County News' in the last 12 months.

Nine in ten (91%) said they read 'County News' thoroughly, read selected articles or glanced at it, decreasing from 96% in 2011.

Almost four in five (78%) of Nottinghamshire respondents found 'County News' informative, increasing from 74% in 2011.

Respect and Consideration

In terms of public services more widely, just over four in five (82%) of Nottinghamshire respondents say they have been treated with respect and consideration by them, increasing from 69% in 2011.

Community Safety

Three quarters (74%) of Nottinghamshire respondents feel safe when outside in their local area after dark, increasing from 66% in 2011.

Nearly all (95%) of Nottinghamshire respondents feel safe when outside in their local area during the day, increasing from 92% in 2011.

Nine in ten (90%) of Nottinghamshire respondents feel safe alone at home at night, increasing from 74% in 2006/07.

Rubbish or litter lying around (19%), groups hanging around the streets (16%), people being drunk or rowdy in public places (14%) and people using or dealing drugs (14%) are the most commonly cited forms of anti-social behaviour in Nottinghamshire.

People being attacked/harassed because of their skin colour/ethnic origin/religion and abandoned or burnt out cars are forms of anti-social behaviour Nottinghamshire respondents are least likely to identify as a very big problem or a fairly big problem (3% and 3% respectively).



Community Cohesion

Almost three in five (58%) of Nottinghamshire respondents agree that their local area is a place where people from different backgrounds get on well together, which represents decline in agreement of 4% since 2011.

Local Decision-Making

The majority (40%) of Nottinghamshire respondents do not believe they can influence decisions affecting their local area, although this presents an improvement since 2011.

Participation in Regular Volunteering

One in seven (14%) of Nottinghamshire respondents participate in voluntary (unpaid) activities in a typical week. Although this result is similar to the findings from the 2008 Place Survey, the options were presented slightly differently. Just over 85% of respondents in 2008 said they did not undertake any volunteering in a typical week.

Smoking Prevalence

Nearly a quarter (23%) of respondents in Nottinghamshire smoke, of which 21% smoke every day and 2% smoke but not every day. This is higher than the number reported in the Nottinghamshire County Council's Health and Well-being Strategy (20%).

Of those that smoke everyday, most commonly (47%) people smoke between 11-20 cigarettes a day, followed by nearly a third that smoke 10 or less.

Of the respondents across Nottinghamshire, one in seven (15%) said that somebody else smokes in their household.

Alcohol Consumption

Three-quarters (76%) of Nottinghamshire respondents drink alcohol. Of these respondents, just over a quarter (27%) drink two-three times per week and one in five (20%) drink monthly or less often. The findings of the Nottinghamshire Annual Residents' Satisfaction Survey 2012 match quite well to what we understand about the drinking habits in Nottinghamshire. Local mapping carried out by the Public Health Intelligence Team for Nottinghamshire Public Health in May 2012 found that non-drinkers account for between 18-23% of the population.

Of the female respondents in Nottinghamshire that drink alcohol, one in ten (10%) drink more than the recommended six units for women. Of the male respondents in Nottinghamshire that drink alcohol, 13% drink more than the recommended eight units for men.



Mental Health and Well-Being

Four in five (80%) of Nottinghamshire respondents said they are able to make up their own mind about things, often or all of the time, followed by those who said they have been feeling close to other people (74% answered often or all of the time).

Respondents were less likely to say they feel optimistic about the future, just over two in five (42%) of respondents said often or all of the time, with one in six (18%) said none of the time or rarely.

Almost nine in ten (86%) of Nottinghamshire respondents said they feel isolated from others none of the time or rarely.

Almost nine in ten (86%) of Nottinghamshire respondents said they feel left out none of the time or rarely and four in five (81%) said they feel they lack companionship none of the time or rarely.

Democratic Engagement

One in six (16%) respondents across Nottinghamshire wanted to pass on their contact details to the Council and its partners to be kept informed about events and services.

One in eight (13% of respondents wanted to pass on their contact details to the Council and its partners so they could have their say about services and events.

When asked how would you like the Council and its partners to contact you in the future, almost two thirds (65%) stated a letter by post, a quarter (24%) stated via email and only one in seven (14%) stated by telephone.



The Research Programme

Introduction

This report presents the findings from the 2012 Residents' Satisfaction Survey conducted for Nottinghamshire County Council by an independent market research agency Enventure Research.

The Annual Satisfaction Survey plays an important role in capturing local people's views, experiences and perceptions of value for money, communication channels, quality of life and health and well-being from the Council's public services.

Methodology

The research was conducted via a face-to-face, on-street survey with residents aged 18 or over, across Nottinghamshire (Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood and Rushcliffe). A quota sample of 1,063 respondents was interviewed between 1 - 26 October 2012. To ensure representation of all the main towns and villages, 25 sampling points were used (at least two in each District).

To identify differences between residents of Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood and Rushcliffe, approximately 150 respondents were interviewed in each District (see **Table 1**).

Table 1 – Interviews across the Districts
Base: All valid responses in Nottinghamshire (1,063)

District/ Borough Council	Number of interviews
Ashfield District Council	160
Bassetlaw District Council	151
Broxtowe Borough Council	150
Gedling Borough Council	150
Mansfield District Council	152
Newark & Sherwood District Council	150
Rushcliffe Borough Council	150
County	1,063

The questionnaire took between ten and fifteen minutes to administer. Before carrying out the fieldwork the questionnaire was piloted in Nottinghamshire to ensure it was fit for purpose.



Quotas were set on district, gender, age, working status and ethnicity according to the most up to date population data (i.e. the Census 2011, the Annual Population Survey 2012 or the Mid-2010 Population estimates). Disability and ward classification (urban, town & fringe and village, hamlet & isolated dwelling) was also monitored to ensure representation across all groups.

Based on a total population of 785,800 (i.e. Census 2011) a sample of 1,063 respondents will give results that are accurate to approximately $\pm 3\%$ at the 95% confidence interval. This means with a result of 50%, we can be 95% sure that if we interviewed all residents then the result would be between 47% and 53%.

Interpreting the Data

This report contains several tables and charts that present survey results. In some instances, the responses may not add up to 100%. There are several reasons why this might happen:

- The question may have allowed each respondent to give more than one answer
- Only the most common responses may be shown in the table
- Individual percentages are rounded to the nearest whole number so the total may come to 99% or 101%
- The question may have been passed over by the respondent, therefore the base size may vary slightly by question
- A response of between 0% and 1% will be shown as 0%

In order for Nottinghamshire County Council and its partners to understand how levels of satisfaction and perceptions have changed in their areas over time, data from the Citizens' Panel Survey 2011 and the Place Survey 2008 have been included for comparative purposes. The methodologies used for the previous surveys were different to the 2012 survey meaning that comparisons must be treated with caution due to differences in the data collection.



Research Findings

Sample Profile

Overall, the survey provides representative evidence across a range of social demographics (including, gender, age, ethnicity, disability and working status) and geographical areas.

The sample was evenly split between females (50%) and male (50%), similar to the Census data for 2011 (51% and 49% respectively).

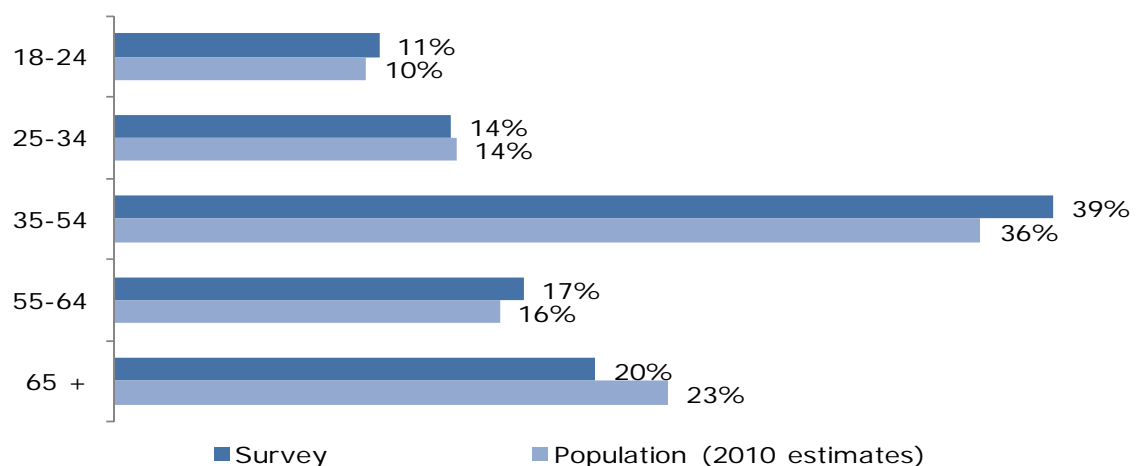
As can be seen from **Figure 1**, a broad spread of age groups responded to the survey, replicating the population (2010 estimates).

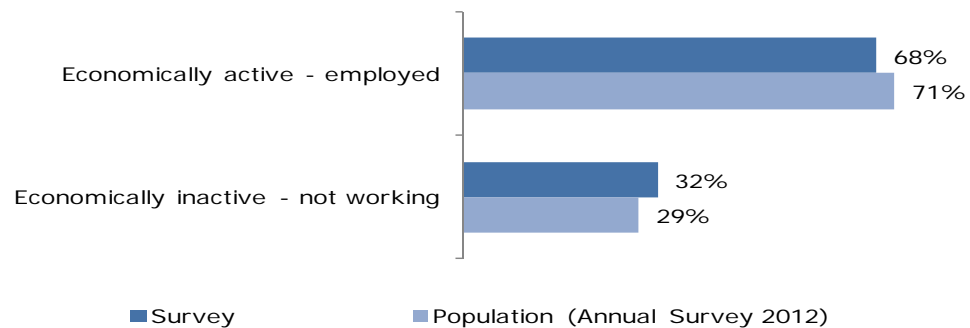
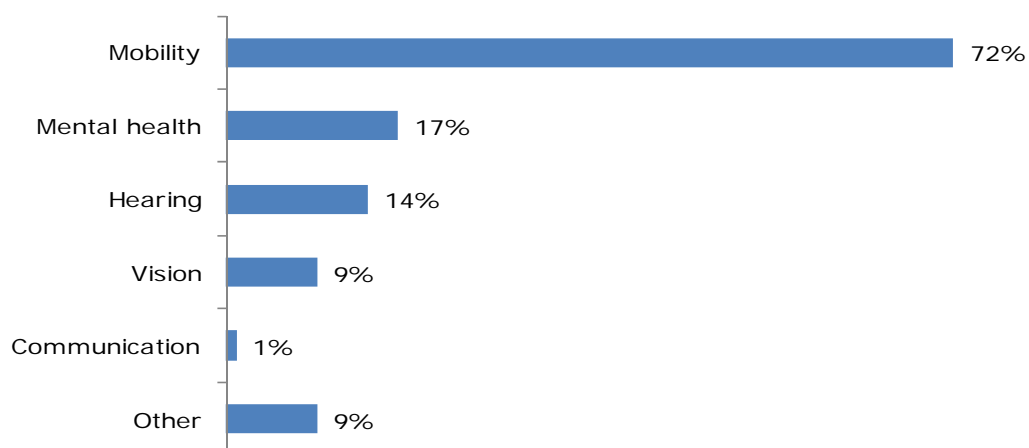
Two-thirds (68%) of respondents were employed whilst 32% stated they were not working. The results for working status (see **Figure 2**) are similar to those of the population (Annual Population Survey 2012).

One in ten (10%) indicated that they considered themselves to be disabled. Of those who considered themselves to be disabled, the most common type of type of impairment was mobility (72%), followed by mental health (17%) and hearing (14%) (see **Figure 3**).

Figure 1 – Age

Base: All valid responses in Nottinghamshire (1,063)



**Figure 2 – Working status****Base: All valid responses in Nottinghamshire (1,063)****Figure 3 - Disability - type of impairment****Base: All valid responses in Nottinghamshire that stated they had a disability (103)**



Satisfaction with Local Area as a Place to Live

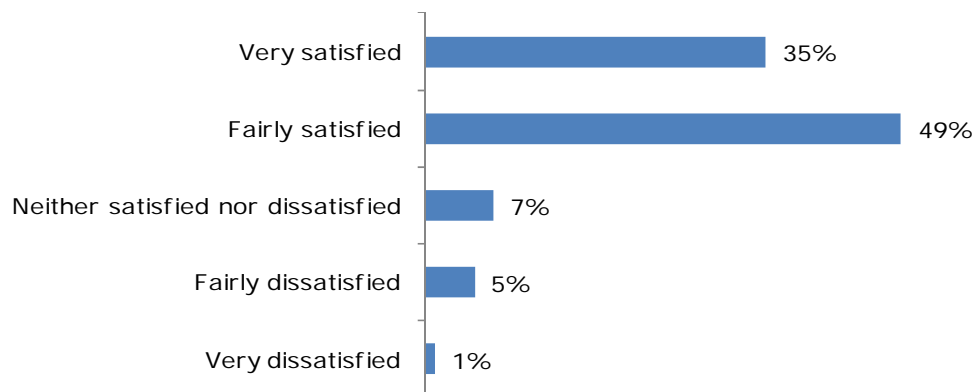
Understanding how people feel about where they live provides important content to help Nottinghamshire County Council understand attitudes on other local issues. Respondents were asked how satisfied or dissatisfied they are with the local area as a place to live (their local area was defined as the area within 15-20 minutes walking distance from their home).

As shown in **Figure 4**, over four in five (84%) of Nottinghamshire respondents are satisfied (35% very satisfied, 49% fairly satisfied) with their local area as a place to live, increasing from 83% in 2011 (Citizens' Panel Survey), and around 79% in 2008 (Place Survey). Only 6% were dissatisfied.

The results from the 2012 Annual Residents' Satisfaction Survey are higher than the 2012/13 strategic target of 83%.

There is also an increase in the percentage of respondents who are very satisfied since 2008 from 21% in 2008 (Place Survey), to 29% in 2011 (Citizens' Panel Survey) to 35% in 2012.

Figure 4 – Satisfaction with local area as a place to live
Base: All valid responses in Nottinghamshire (1,063)





As shown in **Table 2**, in 2012 satisfaction is highest in Rushcliffe, Newark & Sherwood and Broxtowe (96%, 88% and 86% respectively are satisfied). Satisfaction is lowest in Ashfield, but the proportion who are satisfied (70%) still greatly exceeds those that are dissatisfied (19%).

Satisfaction has increased since 2008 (Place Survey) in Ashfield (1%), Bassetlaw (16%), Mansfield (15%), Newark & Sherwood (7%), Rushcliffe (3%) but decreased slightly in Broxtowe (-1%) and Gedling (-3%).

Table 2 – Satisfaction with the local area as a place to live by geographical area

Base: All valid responses in Nottinghamshire (1,063)

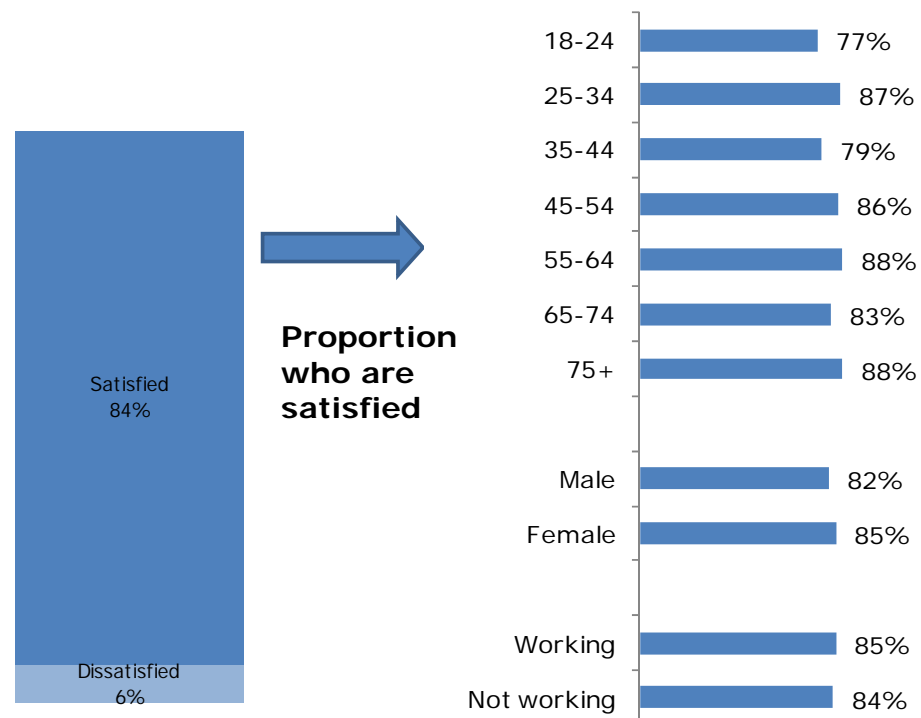
District/ Borough council	% satisfied 2012	% dissatisfied 2012	Net satisfaction +/- 2012	+/- satisfaction 2008 Place Survey	+/- satisfaction change since 2008 Place Survey
Ashfield District Council	70%	19%	51%	50%	1%
Bassetlaw District Council	83%	7%	76%	60%	16%
Broxtowe Borough Council	86%	10%	76%	77%	-1%
Gedling Borough Council	85%	9%	76%	79%	-3%
Mansfield District Council	81%	8%	73%	59%	14%
Newark & Sherwood District Council	88%	7%	81%	74%	7%
Rushcliffe Borough Council	96%	2%	94%	91%	3%
County wide	84%	9%	75%	72%	3%



As shown in **Figure 5**, satisfaction with the local area as a place to live by demographic subgroups, age, gender and working status is broadly similar, with slightly less of those aged 18-24 and 35-44 satisfied with their local area than the other age groups.

Figure 5 – Satisfaction with local area as a place to live by age, gender and working status

Base: All valid responses in Nottinghamshire (1,063)





Satisfaction with the Local Authority

Respondents were asked how satisfied or dissatisfied they are with the way the Council runs things. The purpose of this question is to monitor overall attitudes and it is generally regarded as the key perceptual indicator of how well regarded the Council is by its residents.

Satisfaction with Nottinghamshire County Council

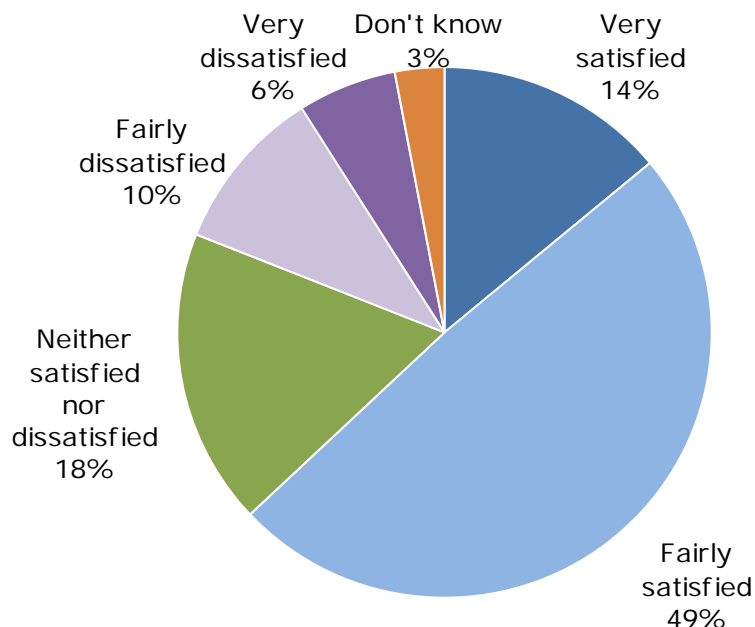
As can be seen in **Figure 6**, just under two thirds (63%) of respondents across Nottinghamshire are satisfied with the way the Nottinghamshire County Council runs things (14% very satisfied and 49% fairly satisfied), increasing from 47% in 2011 (Citizens' Panel Survey) and 40% in 2008 (Place Survey). Just 16% were dissatisfied.

The results from the 2012 Annual Residents' Satisfaction Survey are higher than the 2012/13 strategic target for Nottinghamshire of 47%.

There is also an increase in the percentage of respondents who are very satisfied with Nottinghamshire County Council since 2008 (from 4% in 2008 (Place Survey), 4% in 2011 (Citizens' Panel Survey) to 14% in 2012).

Figure 6 – Satisfaction with the way Nottinghamshire County Council runs things

Base: All valid responses in Nottinghamshire (1,063)





As shown in **Table 3**, in 2012 satisfaction with the way Nottinghamshire County Council runs things is highest in Rushcliffe, Newark & Sherwood and Gedling (72%, 68% and 63% respectively are satisfied). Satisfaction is lowest in Bassetlaw and Ashfield but the proportion who are satisfied (59% and 59% respectively) still greatly exceeds those that are dissatisfied (15% and 22% respectively).

Satisfaction with the County Council has increased since 2008 (Place Survey) across all areas in the County (see **Table 3**).

Table 3 - Satisfaction with the way Nottinghamshire County Council runs things by geographical area

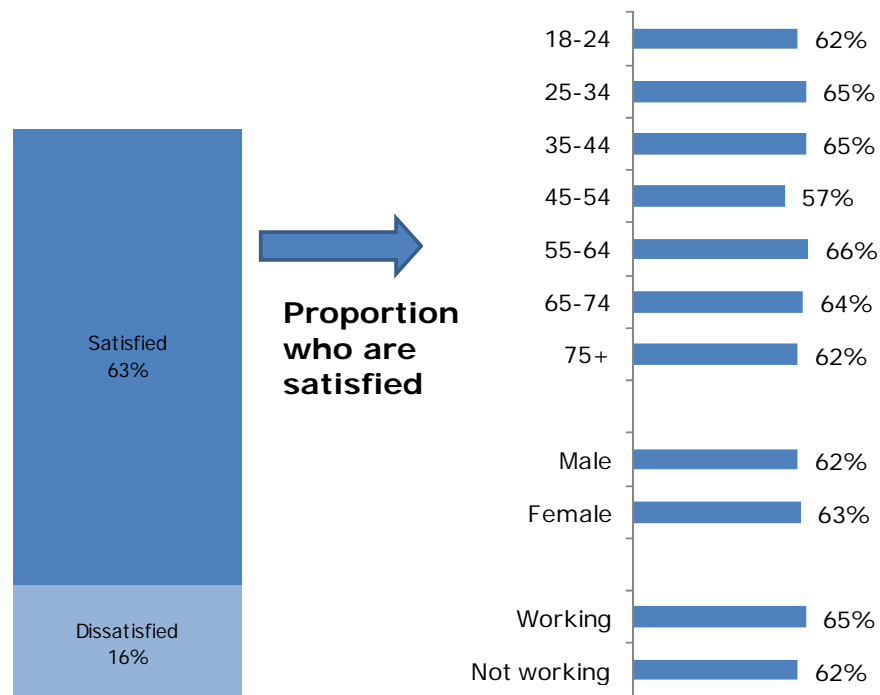
Base: All valid responses in Nottinghamshire (1,063)

District/ Borough council	% satisfied 2012	% dissatisfied 2012	Net satisfaction +/- 2012	+/- satisfaction 2008 Place Survey	+/- satisfaction change since 2008 Place Survey
Ashfield District Council	59%	22%	35%	6%	29%
Bassetlaw District Council	59%	15%	44%	3%	41%
Broxtowe Borough Council	60%	21%	39%	27%	12%
Gedling Borough Council	63%	16%	47%	27%	20%
Mansfield District Council	61%	19%	42%	14%	28%
Newark & Sherwood District Council	68%	14%	54%	9%	45%
Rushcliffe Borough Council	72%	5%	67%	36%	31%
County wide	63%	16%	47%	18%	29%



As shown in **Figure 7**, satisfaction with the local area as a place to live by subgroups, age, gender and working status are broadly similar, with slightly less of those aged 45-54 satisfied with the way that Nottinghamshire County Council runs things than the other age groups.

Figure 7 – Satisfaction with the way Nottinghamshire County Council runs things by age, gender and working status
Base: All valid responses in Nottinghamshire (1,036)





Value for Money

A key driver of the reputation of all Councils is whether residents believe they receive value for money. Nottinghamshire County Council's strategic target for 2012/13 is for 25% of residents to agree the Council provides value for money.

Respondents were asked to think about the range of services Nottinghamshire County Council provides to the community as a whole, as well as the services their household uses. They were then asked to consider the extent to which they agree or disagree that the Council provide value for money.

Perceptions of value for money are strongly linked with overall satisfaction with councils. However, value for money has consistently rated lower than overall satisfaction and this pattern remains.

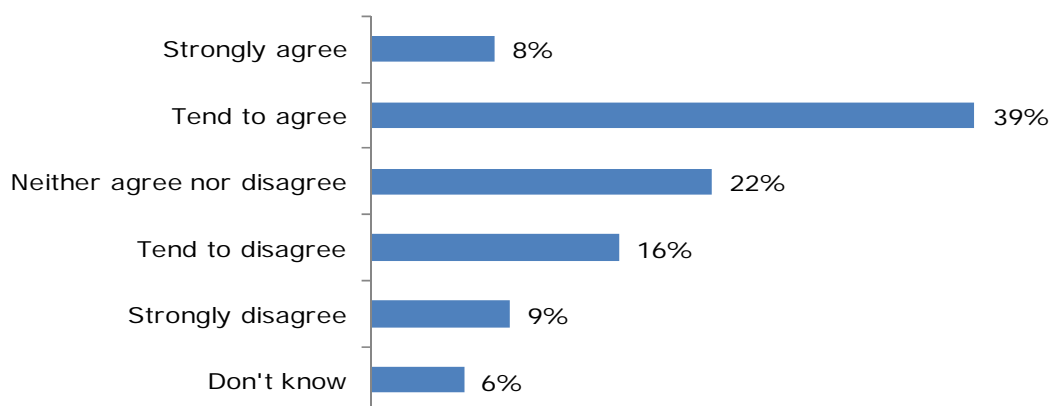
Value for Money - Nottinghamshire County Council

Almost half (47%) of the respondents agree (8% strongly agree, 39% tend to agree) that the County Council provides them with value for money, compared to only a quarter (25%) that disagree (see **Figure 8**).

This represents an increase of 22% since 2011 (Citizens' Panel Survey) and 18% since 2008 (Place Survey).

Figure 8 – Agreement that Nottinghamshire County Council provides value for money

Base: All valid responses in Nottinghamshire (1,063)





As shown in **Table 4**, in 2012 agreement that Nottinghamshire County Council provides value for money is highest in Rushcliffe, Newark & Sherwood and Gedling (67%, 56% and 52% respectively). Agreement is lowest in Ashfield (35%) and Bassetlaw (37%).

Satisfaction with the County Council has increased since 2008 (Place Survey) across all the areas of the County (see **Table 4**).

Table 4 - Agreement that Nottinghamshire County Council provides value for money by geographical area

Base: All valid responses in Nottinghamshire (1,063)

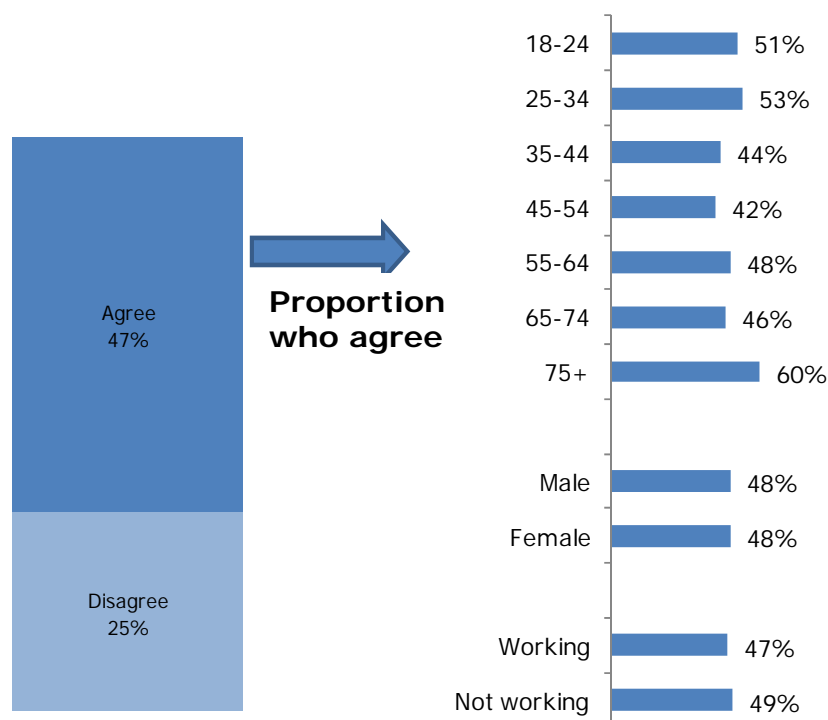
District/ Borough council	% agree 2012	% disagree 2012	Net agreement +/- 2012	+/- agreement 2008 Place Survey	+/- agreement change since 2008 Place Survey
Ashfield District Council	35%	37%	-2%	-9%	7%
Bassetlaw District Council	37%	30%	7%	-12%	19%
Broxtowe Borough Council	45%	27%	18%	7%	11%
Gedling Borough Council	52%	25%	27%	6%	21%
Mansfield District Council	41%	24%	17%	-4%	21%
Newark & Sherwood District Council	56%	11%	45%	-15%	60%
Rushcliffe Borough Council	67%	11%	56%	14%	42%
County wide	47%	24%	23%	-2%	25%



Agreement that the County Council provides value for money is lower amongst those aged 45-54 (42%), 35-44 (44%), 65-74 (46%) and highest amongst those aged 25-34 (53%) and 75+ (60%) (see **Figure 9**). Agreement that the County Council provides value for money is broadly similar by demographic subgroups, gender and working status.

Figure 9 – Agreement that Nottinghamshire County Council provides value for money by age, gender and working status

Base: All valid responses in Nottinghamshire (1,063)



Advocacy

Respondents were asked to indicate which, of a number of statements comes the closest to how they feel about Nottinghamshire County Council.

As shown in Figure 10, two in five (41%) stated they speak positively of the Council without being asked or they speak positively of the Council if they are asked. This is a significant increase of 24% compared to 2011 (Citizens' Panel Survey).

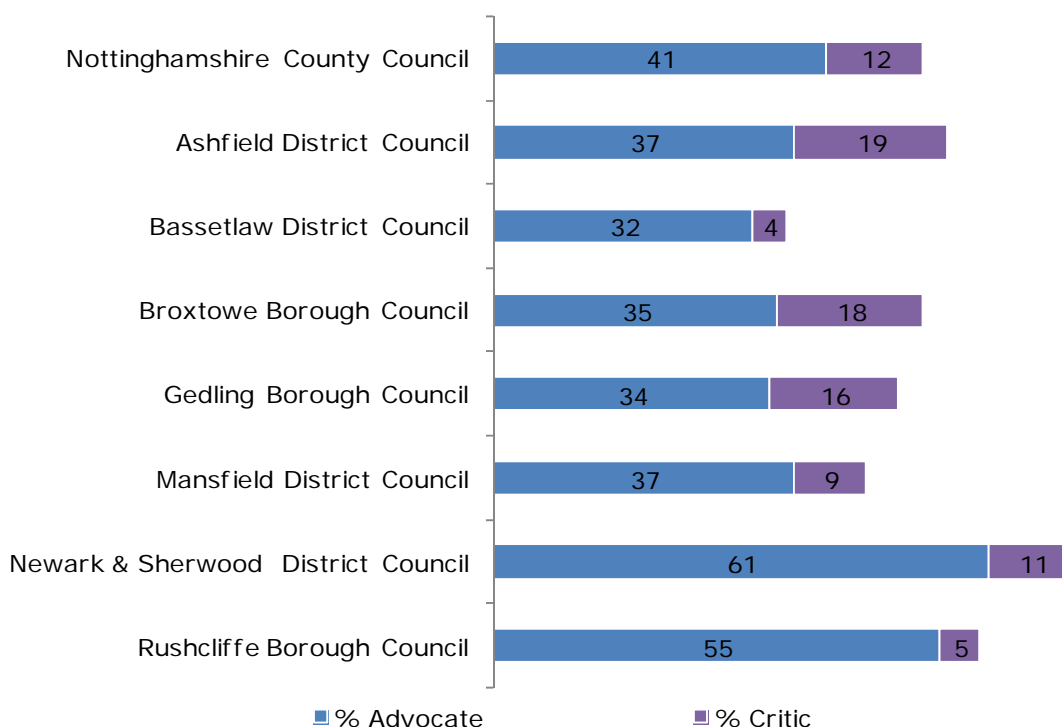
Only 12% said either they speak negatively about the Council if they are asked or they speak negatively of about the Council without being asked. Over two in five (44%) of Nottinghamshire respondents indicated that they have no view one way or the other.

Looking across the Districts and Boroughs about perceptions of the County Council (see **Figure 10**), higher proportions of respondents in Newark and



Sherwood and Rushcliffe (55%) stated they speak positively of the Council without being asked or they speak positively of the Council if they are asked (61% and 55% respectively), compared to respondents in Bassetlaw (32%) and Gedling (34%).

Figure 10 – Statements about the way respondents feel about Nottinghamshire County Council by geographical area
Base: All valid responses in Nottinghamshire (1,063)



The results for Nottinghamshire County Council are broadly similar by demographic subgroups gender, age and working status, with slightly more respondents aged 65-74 stating they speak positively of the Council without being asked than other respondents across the County (15% compared to 8%).

Information Provision

The Duty to Involve¹ came into force in April 2009 and requires Councils to involve residents in decisions made about how they provide services. Good information and communications are important elements of service delivery and there is a strong relationship between how well informed residents' feel they are kept by their Council and their perception of its performance. Understanding resident's view on this is therefore important both as an indicator of the effectiveness of Council communications and as one of the most important drivers of reputation among local residents.

¹ Part 7 section 138 of the Local Government and Public Health Involvement in Health (LGPiH) Act 2007.

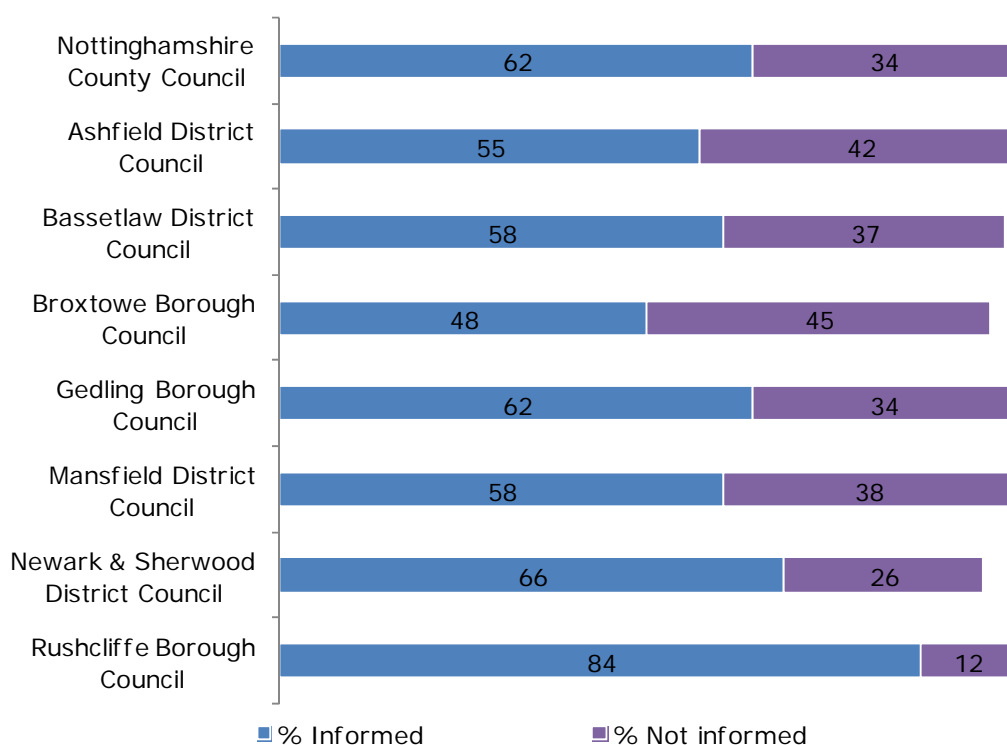


Nottinghamshire County Council set its 2012/13 strategic target to achieve three in five (59%) of people informed about the services and benefits it provides.

Respondents across Nottinghamshire were asked for their overall view about how well informed they feel about the services and benefits the County, Borough and District Council provides.

As shown in Figure 11, just over three in five (62%) of Nottinghamshire respondents feel very or fairly well informed about the services and benefits the County Council provides. This represents a 3% increase in the number of respondents informed since 2011 (Citizens' Panel Survey) and a 19% increase since 2008 (Place Survey). A third (34%) feel they are not very or not well informed at all.

Figure 11 – Being kept informed about the services and benefits Nottinghamshire County Council provides by geographical area
Base: All valid responses in Nottinghamshire (1,063)



Respondents who feel most informed about the services and benefits Nottinghamshire County Council are those in Rushcliffe (84% very or fairly well informed) and Newark & Sherwood (66% very or fairly well informed) (see **Figure 11**). In contrast, higher numbers of respondents living in Broxtowe and Ashfield are not very or not well informed at all about the services and benefits provided by the County Council (48% and 55% respectively).

Similar proportions across demographic subgroups (age, gender and working



status) feel informed about the services and benefits provided by the County Council.

Respondents were asked if they remember receiving a copy of 'County News' in the last 12 months. 'County News' is posted out four times each year.

As shown in **Figure 12**, over half (55%) Nottinghamshire respondents recall receiving 'County News' in the last 12 months, whilst with one in three (32%) said they did not. A further 13% said they don't know or can't recall.

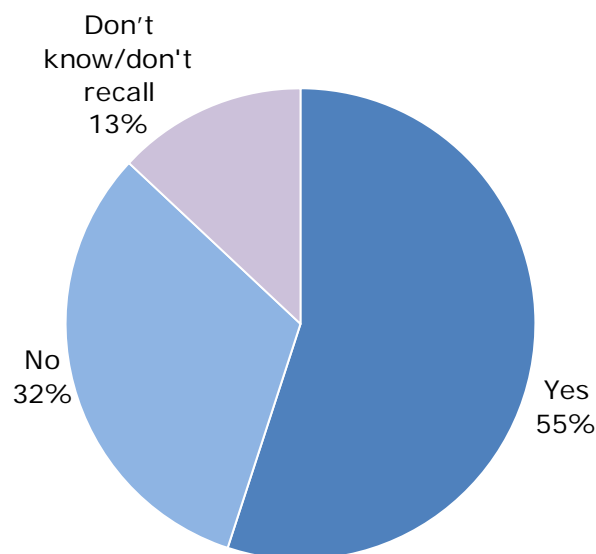
The percentage that remember receiving 'County News' has decreased by 20% since the 2011 (Citizens' Panel Survey).

Respondents in Newark & Sherwood (66%) are more likely to remember receiving a copy of 'County News' compared to those in Broxtowe (47%) and Ashfield (46%).

Differences across age groups are evident in the analysis, with those aged 55 and over more likely to remember receiving it.

Figure 12 – Remember receiving a copy of 'County News' in the last 12 months?

Base: Base: All valid responses in Nottinghamshire (1,063)



Of those respondents that remember receiving a copy of 'County News' (n = 583), nine in ten (91%) read it thoroughly, read selected articles or glanced at it (see **Figure 13**).

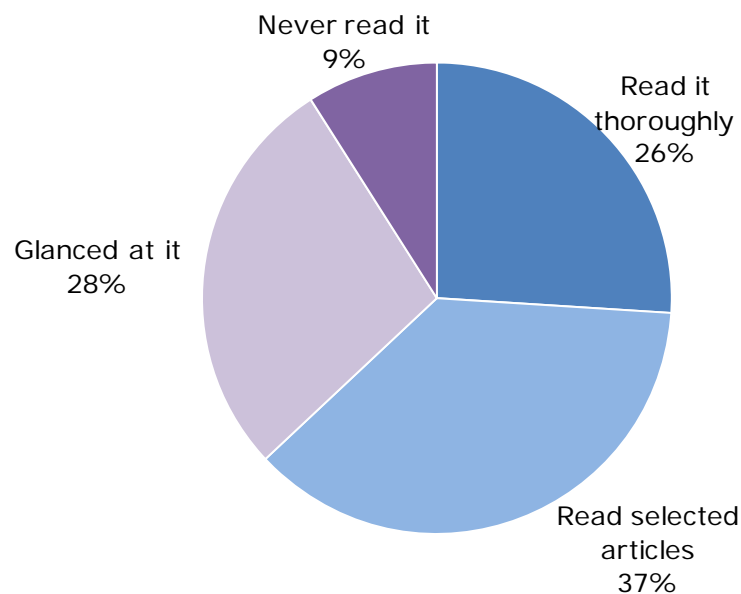
The percentage that said they had read 'County News' thoroughly, read selected articles or glanced at it has decreased by 5% since the 2011 (Citizens' Panel Survey).



There are slight variations in the analysis by demographic subgroups, age and working status. Respondents aged 65 and over are more likely to read it thoroughly, read selected articles or glanced at it, than the younger age groups.

Figure 13 – Usage of 'County News'

Base: All who remember receiving a copy of 'County News' in the last 12 months (583)



Of those respondents that remember receiving a copy of 'County News' (n = 583), 78% found it very informative or fairly informative and only 8% found it very informative or not at all informative (see **Figure 14**).

The percentage of respondents that perceive 'County News' as informative has increased by 4% since the 2011 (Citizens' Panel Survey).

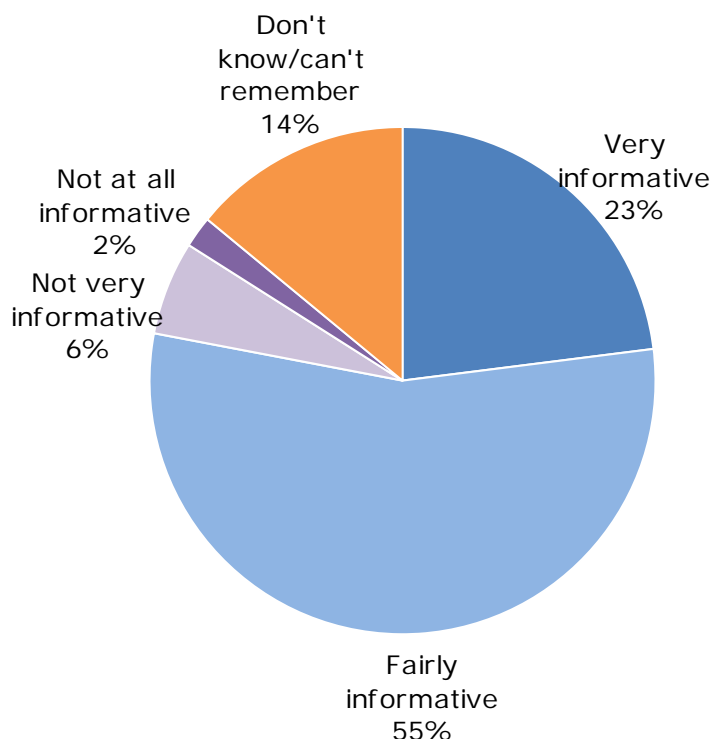
Perceptions that 'County News' is either very informative or fairly informative differ by area, with slightly higher proportions of those in Newark & Sherwood (82%) perceiving it as very informative or fairly informative compared to those on Ashfield (75%).

There are slight variations in the analysis by demographic subgroups, age and working status. Respondents aged 65 and over (86%) and those who are not working (82%) are more likely to read it thoroughly, read selected articles or glanced at it, than the younger age groups and those that are not working (77%).



Figure 14 – How informative is 'County News'

Base: All who remember receiving a copy of 'County News' in the last 12 months (583)



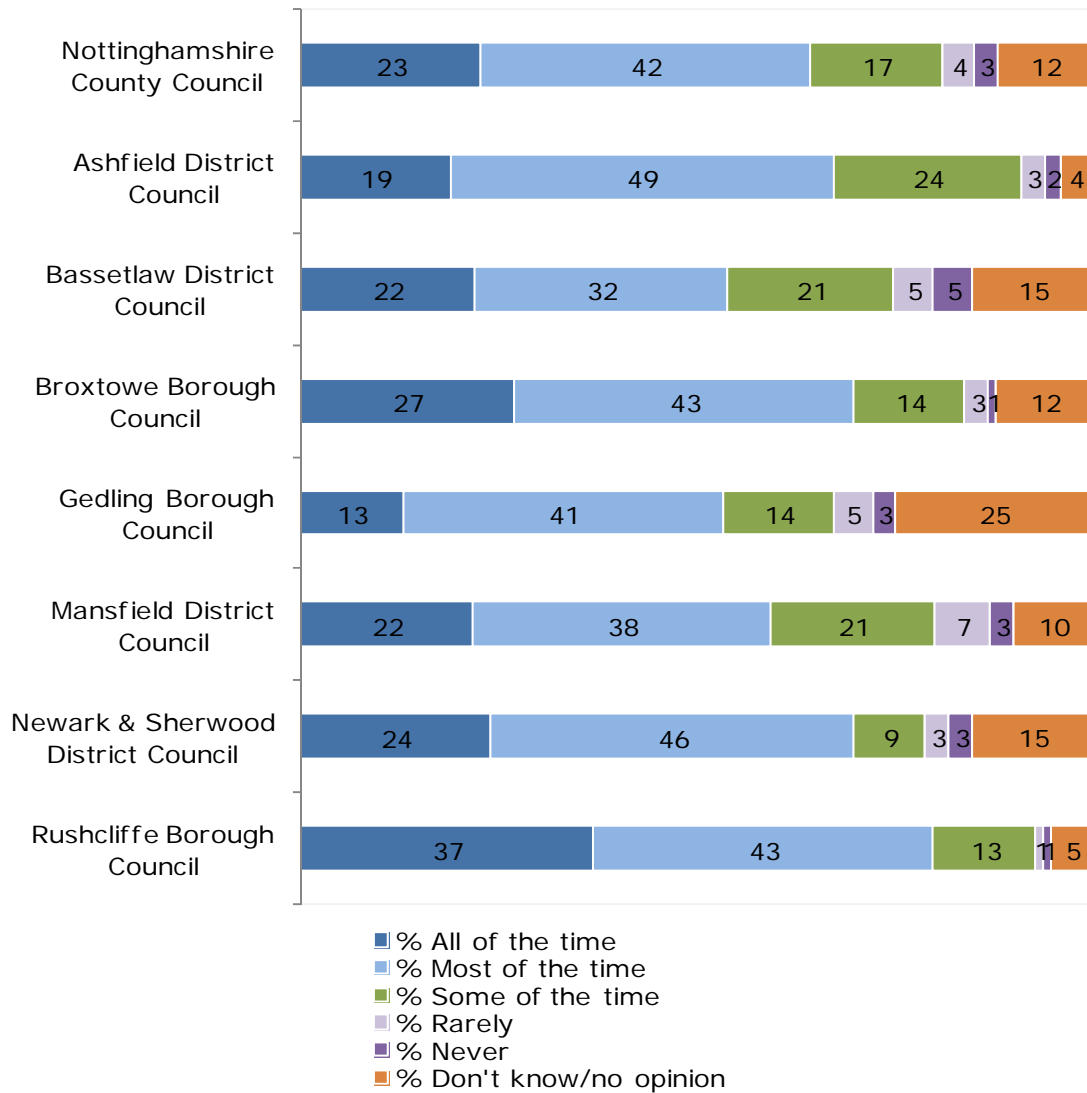
Respect and Consideration

Local authorities and their partners are encouraged to take action to promote strong communities with shared values where local people treat one another with respect and consideration. Accordingly, respondents across the County were asked how often (in the last year) they have been treated with respect and consideration by local public services.

As shown in **Figure 15**, just over four in five (82%) of Nottinghamshire respondents feel they have been treated with respect and consideration all, most or some of the time. An increase of 13% since 2011 (Citizens' Panel Survey) and 7% since 2008 (Place Survey). Only 7% feel they are rarely or never treated with respect and consideration by their local public services.



Figure 15 – How often have you been treated with respect and consideration by your local public services by geographical area
Base: All valid responses in Nottinghamshire (1,063)





Looking across the areas, higher proportions of respondents in Rushcliffe (80%), Newark & Sherwood (70%) and Broxtowe (70%) said they have been treated with respect and consideration by local public services compared to Gedling (54%) and Bassetlaw (54%).

Respondents' perceptions of being treated with respect and consideration is broadly similar by demographic subgroups, age, gender and working status.

Community Safety

Safety in the Local Area

Respondents across Nottinghamshire were asked a series of questions which focus on the degree to which they feel safe in their local area after dark, during the day and at home at night.

As shown in **Figure 16**, three quarters (74%) of Nottinghamshire respondents feel safe when outside in their local area after dark, only one in six (17%) report feeling unsafe. The proportion of respondents that report feeling safe outside in their local area after dark has continually increased over the years from nearly half (49%) in 2008 (Place Survey), to 66% in 2011 (Citizens' Panel Survey), to three quarter (75%) in 2012.

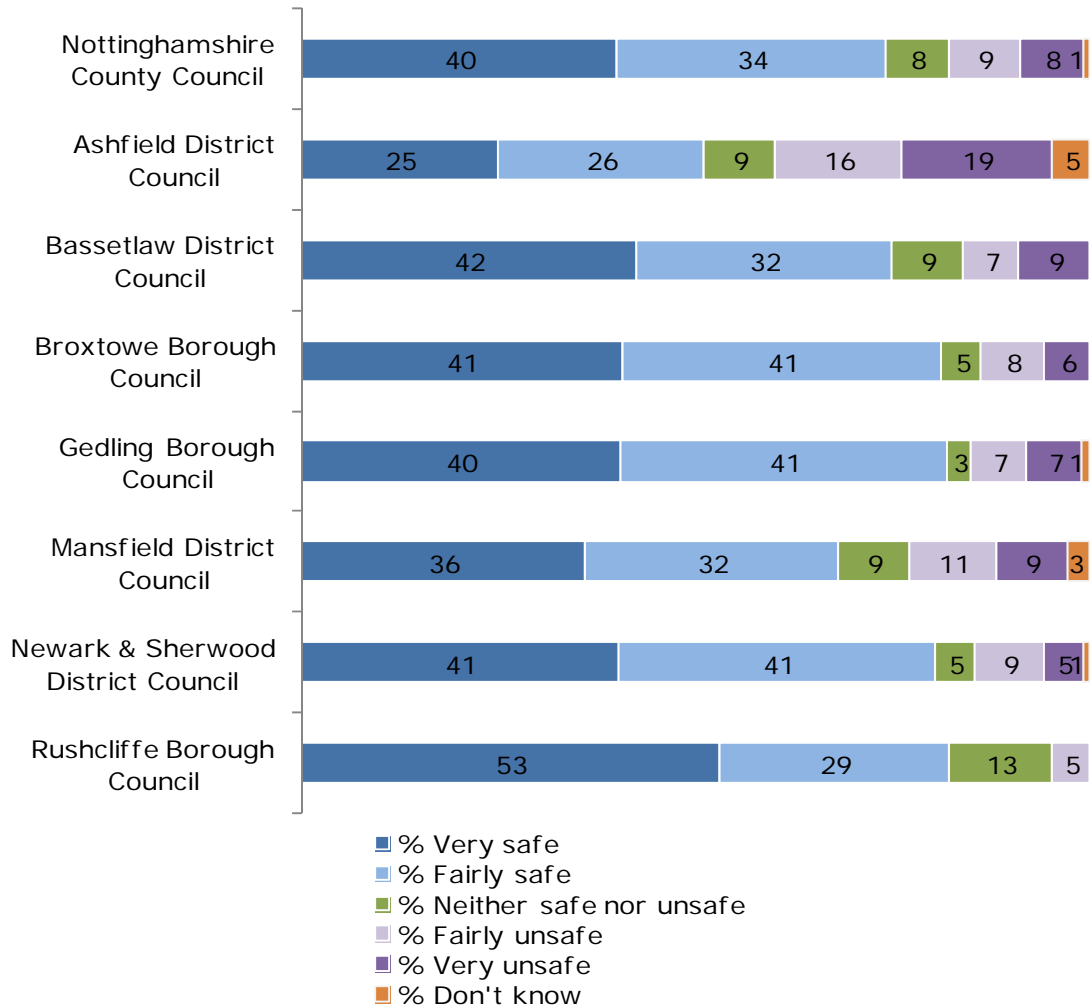
The results seen in 2012 exceed the target (59%) set by Nottinghamshire County Council.

Looking across the Districts and Boroughs, respondents in Broxtowe, Gedling, Newark & Sherwood and Rushcliffe are most likely to feel safe when outside in their local area after dark, whilst respondents in Ashfield and Mansfield are most likely to feel unsafe (see **Figure 16**).

As would be expected, perceptions of safety do vary by a number of demographic factors. Males are more likely to feel safe outside in their local area after dark compared to females (66% compared to 82%). Those aged 18-24 are more likely to report feeling safe after dark compared to those aged 75+ (84% compared to 62%).



Figure 16 – Feeling of being safe outside in the local area after dark
Base: All valid responses in Nottinghamshire (1,063)



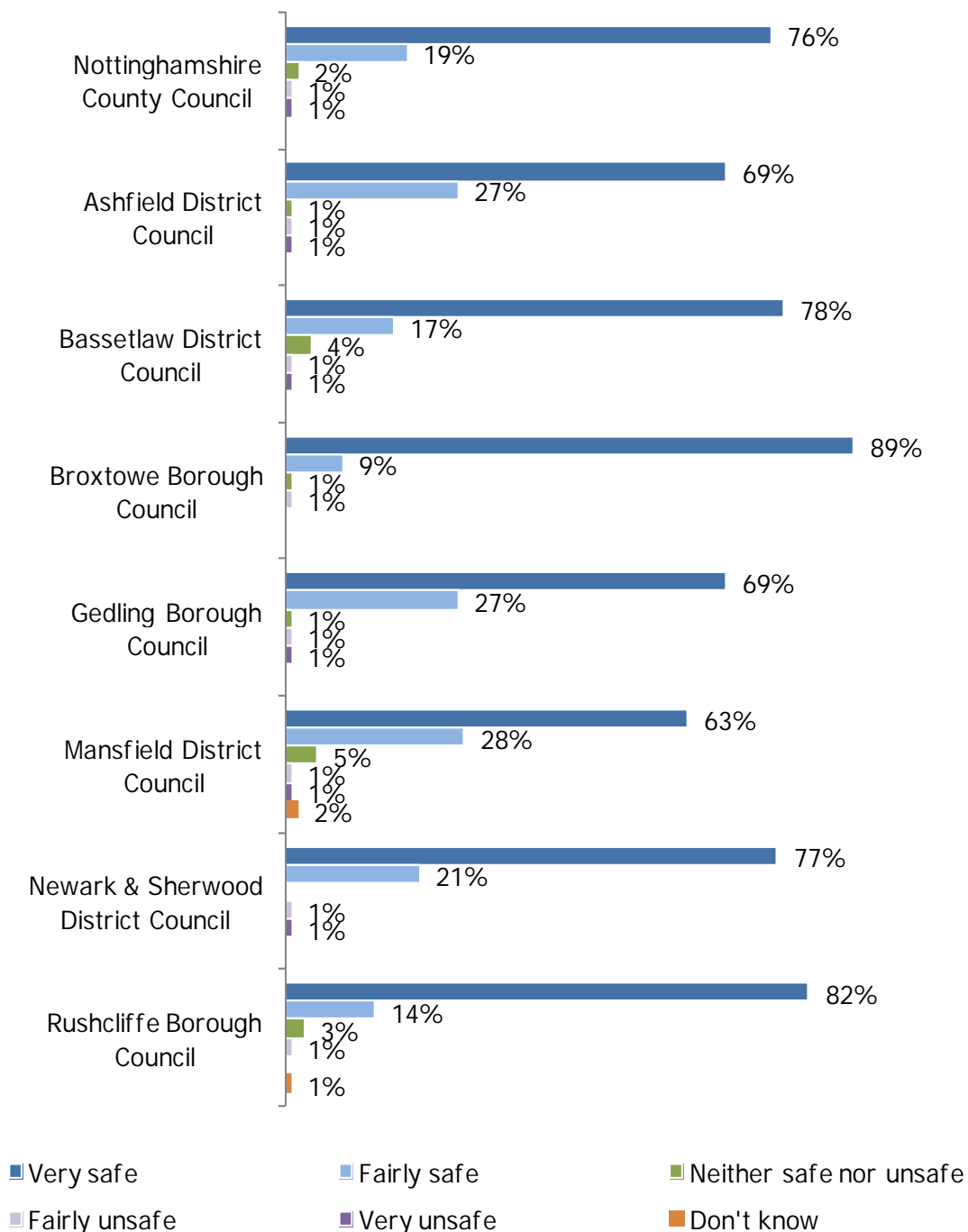
As shown in **Figure 17**, nearly all (95%) of Nottinghamshire respondents feel safe when outside in their local area during the day, just 2% report feeling unsafe.

The proportion of respondents that report feeling safe outside in their local area during the day has continually increased over the years from nine in ten (88%) in 2008 (Place Survey), to over nine in ten (92%) in 2011 (Citizens' Panel Survey), to nearly all (95%) in 2012.

The results seen in 2012 exceed the target (90%) set by Nottinghamshire County Council.



Figure 17 – Feeling of being safe outside in the local area during the day
Base: All valid responses in Nottinghamshire (1,063)



Although the vast majority of respondents across all areas in the County either feel very safe or fairly safe in their local area during the day, higher proportions of respondents in Broxtowe (98%) and Newark & Sherwood (98%) feel very safe and fairly safe compared to those in Mansfield (91%) and Ashfield (93%) (see **Figure 17**).

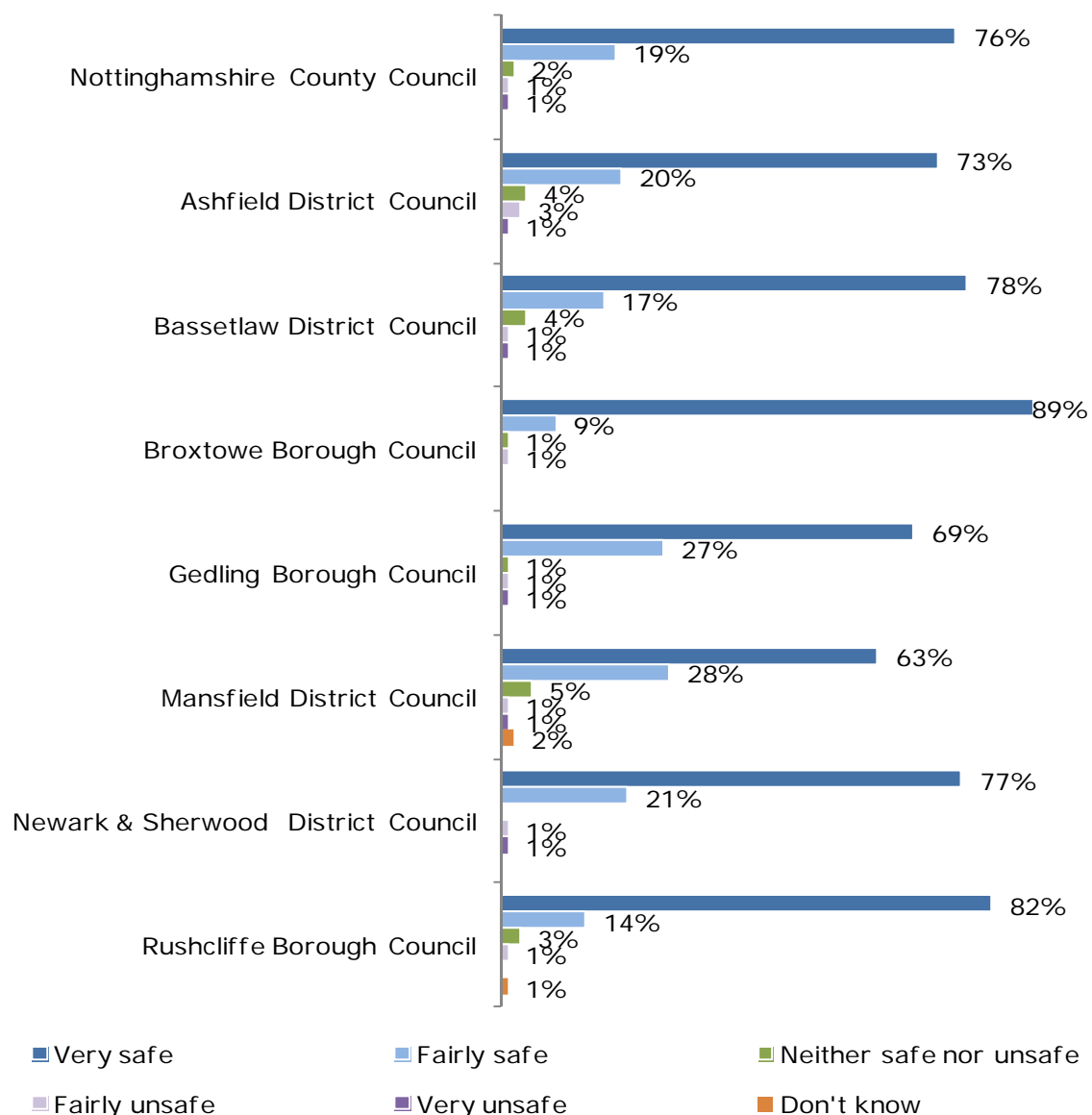
Perceptions of safety during the day do not vary considerably by demographic subgroups (age, gender and working status).



As shown in **Figure 18**, nine in ten (90%) of Nottinghamshire respondents report feeling safe alone at home at night. This represents an increase in the number of respondents that feel safe alone at home at night of 16% since 2006/07 (BVPI survey). This is not a strategic plan indicator for Nottinghamshire County Council. Just 6% report feeling unsafe alone at home at night.

Looking across the Districts and Boroughs, respondents in Rushcliffe are most likely to feel safe when at home at night, whilst respondents in Mansfield are most likely to feel unsafe (see **Figure 18**). Perceptions of safety when alone at home at night do not vary considerably by demographic factors.

Figure 18 – Feeling of being safe alone at home alone at night
Base: All valid responses in Nottinghamshire (1,063)





Perceptions of Anti-Social Behaviour

Respondents in Nottinghamshire were asked how much of a problem are the certain types of anti-social behaviour in their local area.

Nottinghamshire County Council Anti-Social Behaviour

Table 5 shows Nottinghamshire respondents' perceptions of anti-social behaviour in their local area. Rubbish or litter lying around (19%), groups hanging around the streets (16%), people being drunk or rowdy in public places (14%) and people using or dealing drugs (14%) are the most commonly cited forms of anti-social behaviour. People being attacked/harassed because of their skin colour/ethnic origin/religion and abandoned or burnt out cars are forms of anti-social behaviour Nottinghamshire respondents are least likely to identify as a very big problem or a fairly big problem (3% and 3% respectively).

As can be seen in **Table 5**, there has been an improvement in perceptions of anti-social behaviour across all the categories over time.

The results for each of the strands of anti-social behaviour are set out over the next few pages.

Table 5 - Perceptions of anti-social behaviour in Nottinghamshire
Base: All valid responses in Nottinghamshire (1,063)

Strands of anti-social behaviour	% problem in 2012	% problem in 2008	+/- problem change since 2008 Place Survey
Rubbish or litter lying around	19%	34%	-15%
Groups (teenagers) hanging around the streets	16%	46%	-30%
People being drunk or rowdy in public places	14%	29%	-15%
People using or dealing drugs	14%	35%	-11%
Vandalism, graffiti and deliberate damage to property or vehicles	11%	35%	-24%
Noisy neighbours or loud parties	10%	12%	-3%
People being attacked/harassed because of their skin colour/ethnic origin/religion	3%	Nil	Nil
Abandoned or burnt out cars	3%	9%	-6%

Rubbish or Litter Lying Around

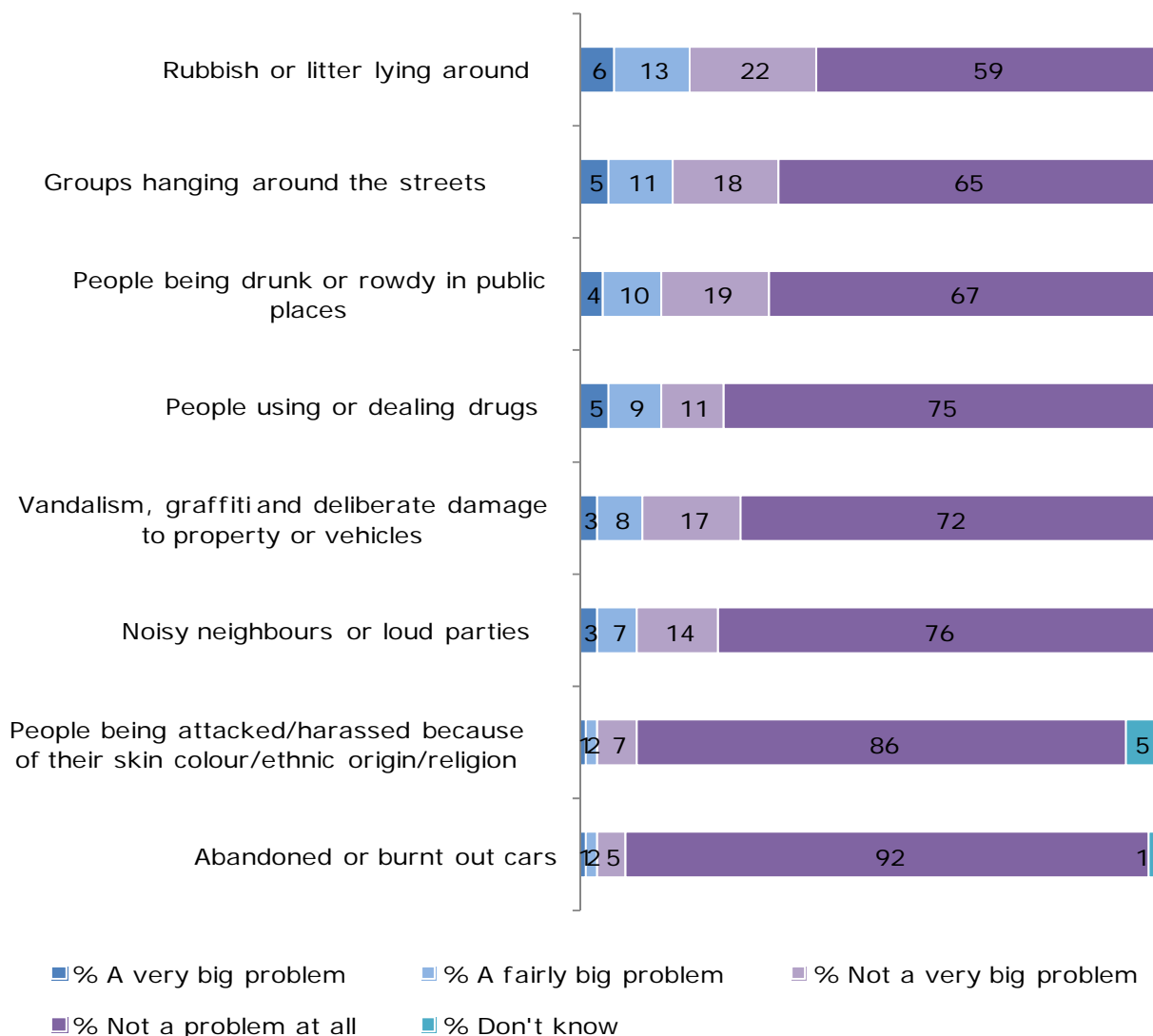
Whilst the majority of respondents do not think that rubbish or litter lying around is a problem (see **Figure 19**), further analysis suggests respondents in Gedling (28%), Newark and Sherwood (26%) and Ashfield (26%) are more



likely to think that is a very big problem or a fairly big problem than those living in others areas.

Slightly more women think rubbish or litter lying around is a very big problem or a fairly big problem compared to men (22% compared to 15%). Higher proportions of those aged 25-34 (28%) perceive rubbish or litter lying around is a very big problem or a fairly big problem in their area than other age groups.

Figure 19 – Perceptions of anti-social behaviour
Base: All valid responses in Nottinghamshire (1,063)





Groups Hanging around the Streets

Further analysis suggests that respondents in Ashfield (34%) and Newark & Sherwood (23%) are more likely to think groups hanging around the streets are a very big problem or a fairly big problem in their local area compared to Rushcliffe (6%), Broxtowe (8%) and the County as a whole (16%).

Perceptions of groups hanging around the streets is broadly similar by demographic subgroups, gender and working status. However, those aged 25-34 and 35-44 are more likely to perceive groups hanging around the streets as a very big problem or a fairly big problem than the County as a whole (22% and 22% compared to 16%).

People being Drunk or Rowdy in Public Places

Respondents in Ashfield (29%) and Newark & Sherwood (20%) are more likely to think people being drunk or rowdy in public places is a very big problem or a fairly big problem in their local area compared to those in Rushcliffe (6%) or Gedling (9%).

Perceptions of people being drunk or rowdy in public places is broadly similar by demographic subgroups, gender and working status. However higher proportions of respondents aged 25-34 (22%) perceive people being drunk or rowdy in public places as a very big problem or a fairly big problem than those aged 75+ (7%) and 65-74 (8%).

People using or Dealing Drugs

Whilst the majority of respondents do not think that people using or dealing drugs is problem in their local area (see **Figure 19**), further analysis suggests that respondents in Ashfield (27%) are more likely to think this is an issue in their area, compared to Rushcliffe (3%) and Bassetlaw (10%).

Perceptions of people using or dealing drugs are broadly similar by demographic subgroups, gender and working status. However, higher proportions of respondents aged 25-34 (18%) and 35-44 (18%) perceive people being drunk or rowdy in public places as a very big problem or a fairly big problem compared to those aged 65-74 (6%) and 75+ (5%).

Vandalism, Graffiti and Deliberate Damage to Property or Vehicles

Analysis suggests that higher proportions of respondents in Ashfield (19%) and Gedling (16%) think vandalism, graffiti and deliberate damage to property or vehicles is a very big problem or a fairly big problem in their local area compared to those in Rushcliffe (2%) and Mansfield (7%).



Perceptions that vandalism, graffiti and deliberate damage to property or vehicles is a very big problem or a fairly big problem is broadly similar by demographic subgroups, age, gender and working status. However higher proportions of those aged 25-34 (17%) perceive this as a very big problem or a fairly big problem compared to those aged 65-74 (4%).

Noisy Neighbours or Loud Parties

Whilst the majority of respondents across the County do not think that noisy neighbours or loud parties are a problem in their local area (see **Figure 19**), further analysis suggests that respondents in Ashfield (23%) are more likely to think this is an issue in their area compared to those in Rushcliffe (4%) or Broxtowe (5%)

Perceptions of noisy neighbours or loud parties are broadly similar by demographic subgroups, age, gender and working status.

People Being Attacked/Harassed Because of their Skin Colour/Ethnic Origin/Religion

Perceptions of people being attacked/harassed because of their skin colour/ethnic origin/religion as a very big problem or a fairly big problem is broadly similar by geographical area and demographic subgroups, age, gender and working status.

Abandoned or Burnt out Cars

Perceptions of abandoned or burnt out cars as a very big problem or a fairly big problem is broadly similar across the areas and demographic subgroups, age, gender and working status.

Community Cohesion

A recognised measure of community cohesion is achieved by asking people about the degree to which people agree that their local area is one where people from different backgrounds get in well together.

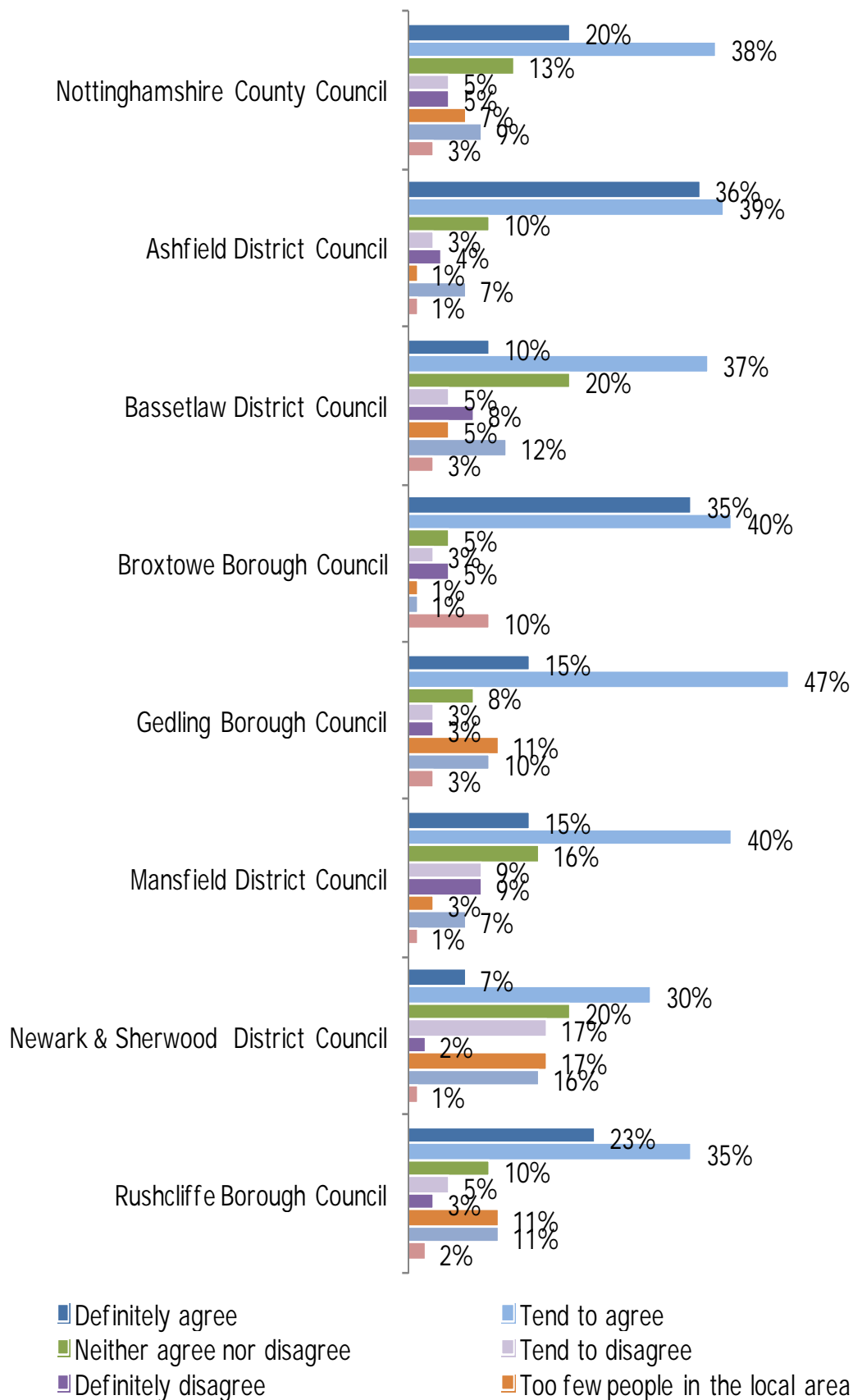
Respondents in Nottinghamshire were asked the extent to which they agree or disagree that their local area is one where people from different ethnic backgrounds get on well together. The results are shown in **Figure 20**.

Almost three in five (58%) agree that people from different ethnic backgrounds get on well together in Nottinghamshire. A decrease of 4% since 2011 (Citizens' Panel Survey) and 19% since 2008 (Place Survey).

One in ten (10%) disagree that people from different ethnic backgrounds get on well together in Nottinghamshire.



Figure 20 – People from different backgrounds getting along
Base: all valid responses in Nottinghamshire (1,063)





Looking across the Districts and Boroughs, perceptions of community cohesion between people of different backgrounds are highest in Ashfield and Broxtowe (75% and 75% respectively) and lowest in Newark & Sherwood (37%) and Bassetlaw (47%) (see **Figure 20**).

Perceptions of community cohesion are broadly similar by demographic subgroups, gender and working status. Agreement that people from different backgrounds get on well together is highest among younger people (67% of those 18-24, and 60% of those aged 25-34, compared to 53% of those 65-74 and 54% of those aged 75+).

Local Decision-Making

Respondents in Nottinghamshire were asked the extent to which they agree/disagree that they can influence decisions affecting their local area.

As shown in **Figure 21**, just over a third of respondents (36%), definitely agree or tend to agree that they can influence decisions affecting their local area, whilst two in five (40%) disagree.

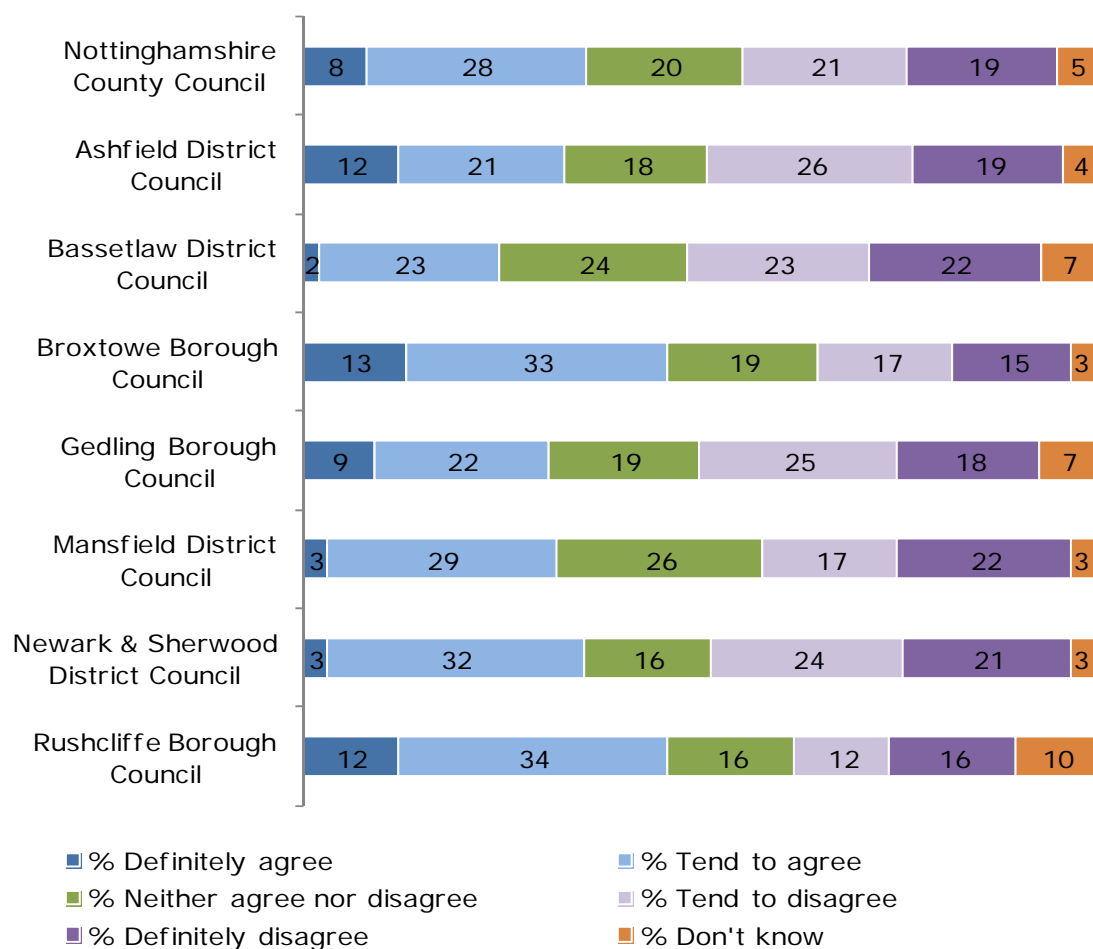
Agreement in Nottinghamshire that local people can influence decisions has remained the same (36%) since 2011 (Citizens' Panel Survey) but increased by 8% since 2008 (Place Survey). The results from this survey are 1% below Nottinghamshire County Councils target of 37%.

As shown in **Figure 21**, agreement that local people can influence decision affecting their local area is higher in Rushcliffe (46%) and Broxtowe (46%), compared to Bassetlaw (25%).

Agreement is are broadly similar by demographic subgroups, gender and working status. However, higher proportions of those aged 18-24 (42%) and 55-64 (41%) agree they can influence decisions affecting their local area.



Figure 21 – Influence on decisions affecting the local area
Base: All valid responses in Nottinghamshire (1,063)



Participation in Regular Volunteering

Volunteering is seen by local and central government to have a key part to play in terms of promoting sustainable communities. There are clear links between increases in volunteering and a range of policies encouraging active citizenship such as the Localism Act.

Volunteering is defined as giving unpaid help through groups, clubs or organisations, which support social, environmental, cultural or sporting objectives.

Respondents were asked in a typical week how many hours they spend doing voluntary (unpaid) activities in their local community. The results are shown in **Figure 22**.

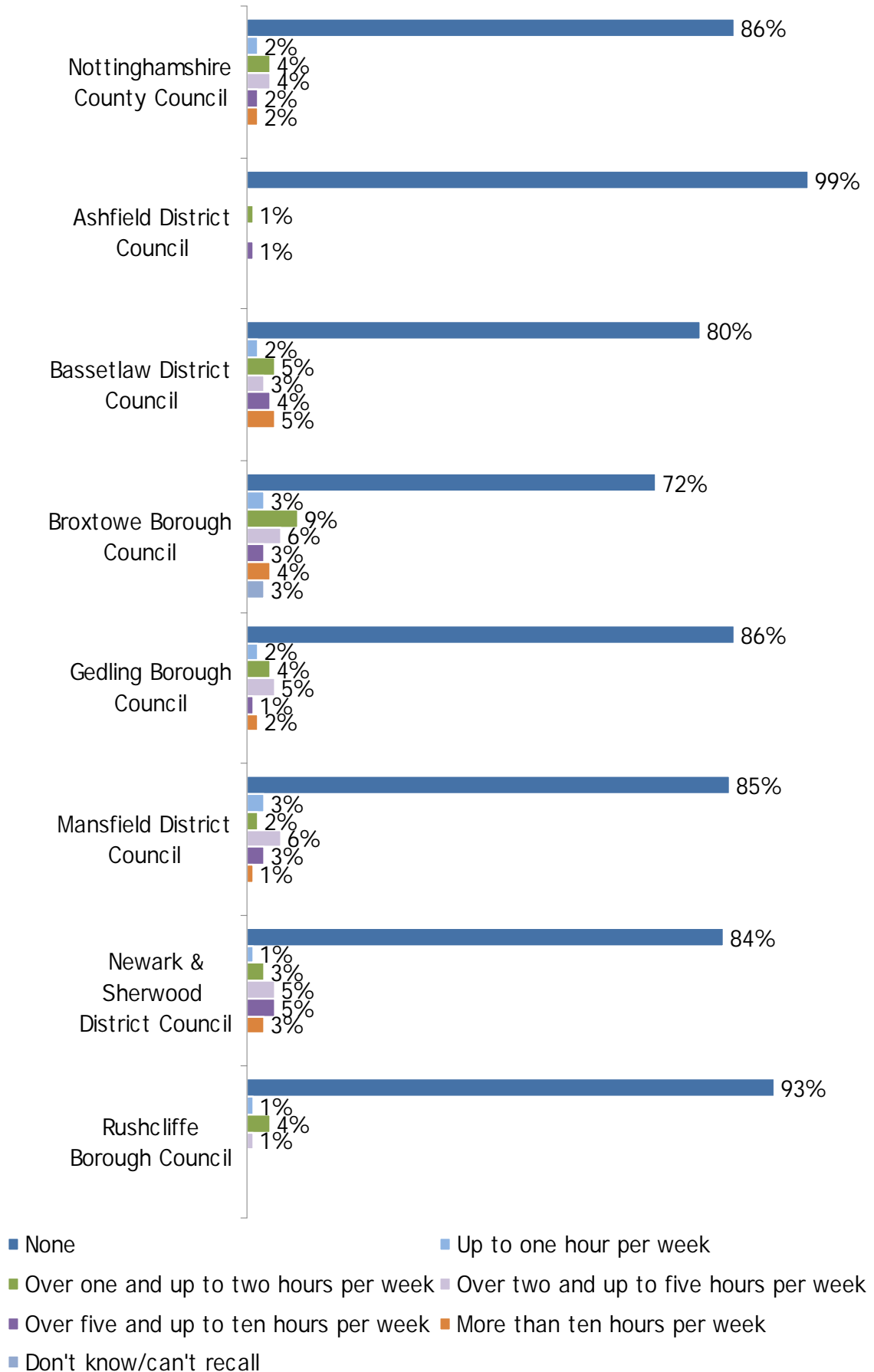
One in seven (14%) Nottinghamshire respondents participate in voluntary (unpaid) activities in a typical week. Most commonly, respondents spend over one and up to two hours per week or over two and up to five hours per week (4% and 4% respectively). Almost nine in ten (86%) of respondents do not take part in any voluntary (unpaid) activities in a typical week. Although this result is similar to the findings from the 2008 Place Survey, the options were



presented slightly differently. Just over 85% of respondents say they did not undertake any volunteering in a typical week.

Figure 22 – In a typical week, how many hours are spent doing voluntary (unpaid) activities in the local community

Base: All valid responses in Nottinghamshire (1,063)





Slight variations are evident across the Districts and Boroughs, with higher proportions of respondents in Broxtowe (25%) and Bassetlaw (19%) taking part in volunteering compared to those in Ashfield (2%) and Rushcliffe (6%).

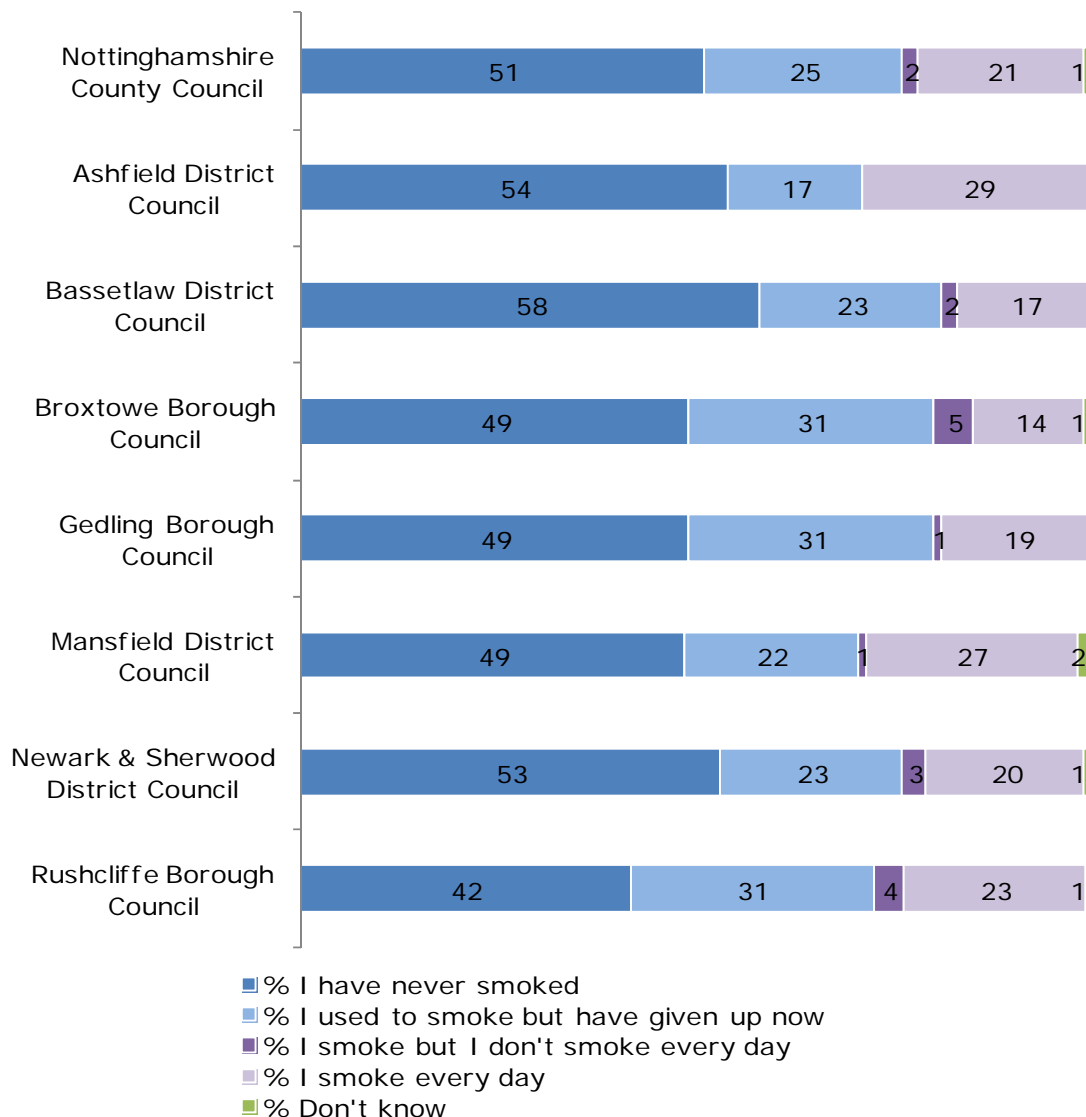
Very little variation was evident across demographic subgroups, age, gender and working status.

Health and General Well-being

Smoking Prevalence

Nottinghamshire County Council's Health and Well-being Strategy includes reducing the number of residents aged 18 years and over who smoke. The target is to reduce adult smoking prevalence to 18.5% or less by the end of 2015. This target is in line with the Healthy Lives, Healthy People: a Tobacco Control Plan for England.

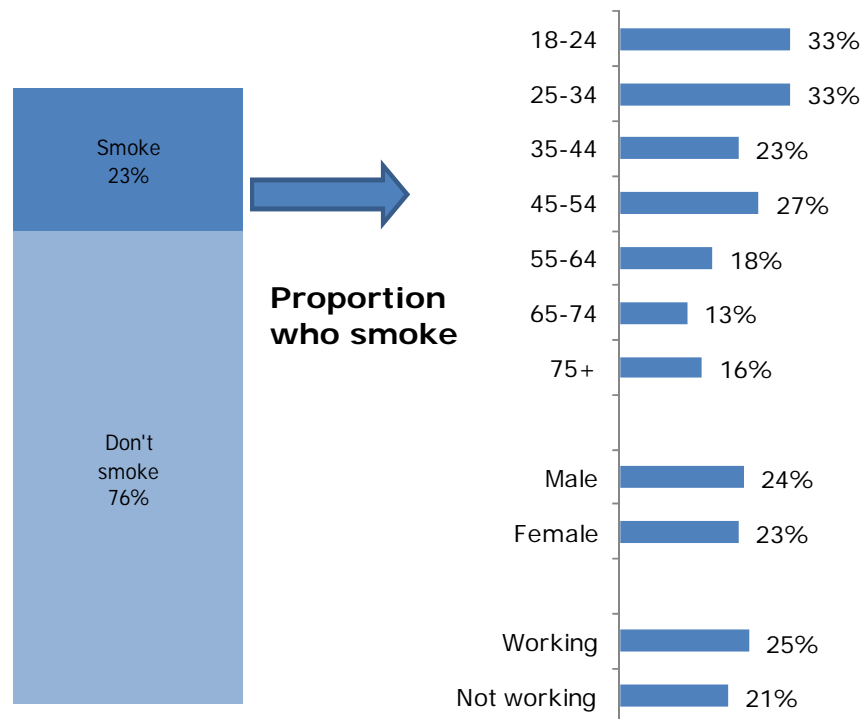
Results from the Annual Residents' Survey 2012 indicate (see **Figure 23**) nearly a quarter (23%) of respondents currently smoke, of which 21% smoke every day and 2% smoke but not every day. A quarter (25%) of respondents used to smoke but have given up now.

**Figure 23 – Smoking prevalence****Base: All valid responses in Nottinghamshire (1,063)**

Survey results show (see **Figure 24**) smoking prevalence in Nottinghamshire County Council is highest amongst the 25-34 and 18-24 year olds (33% and 33% respectively). After the age of 55, the likelihood of smoking decreases to just 16% of 75+ year olds. Whilst smoking rates tend to be much higher in some social groups, including those with the lowest incomes, very little differences was observed in relation to demographic subgroups, working status and gender in this survey(see **Figure 24**).



Figure 24 – Smoking prevalence by age, gender and working status
Base: All valid responses in Nottinghamshire (1,063)

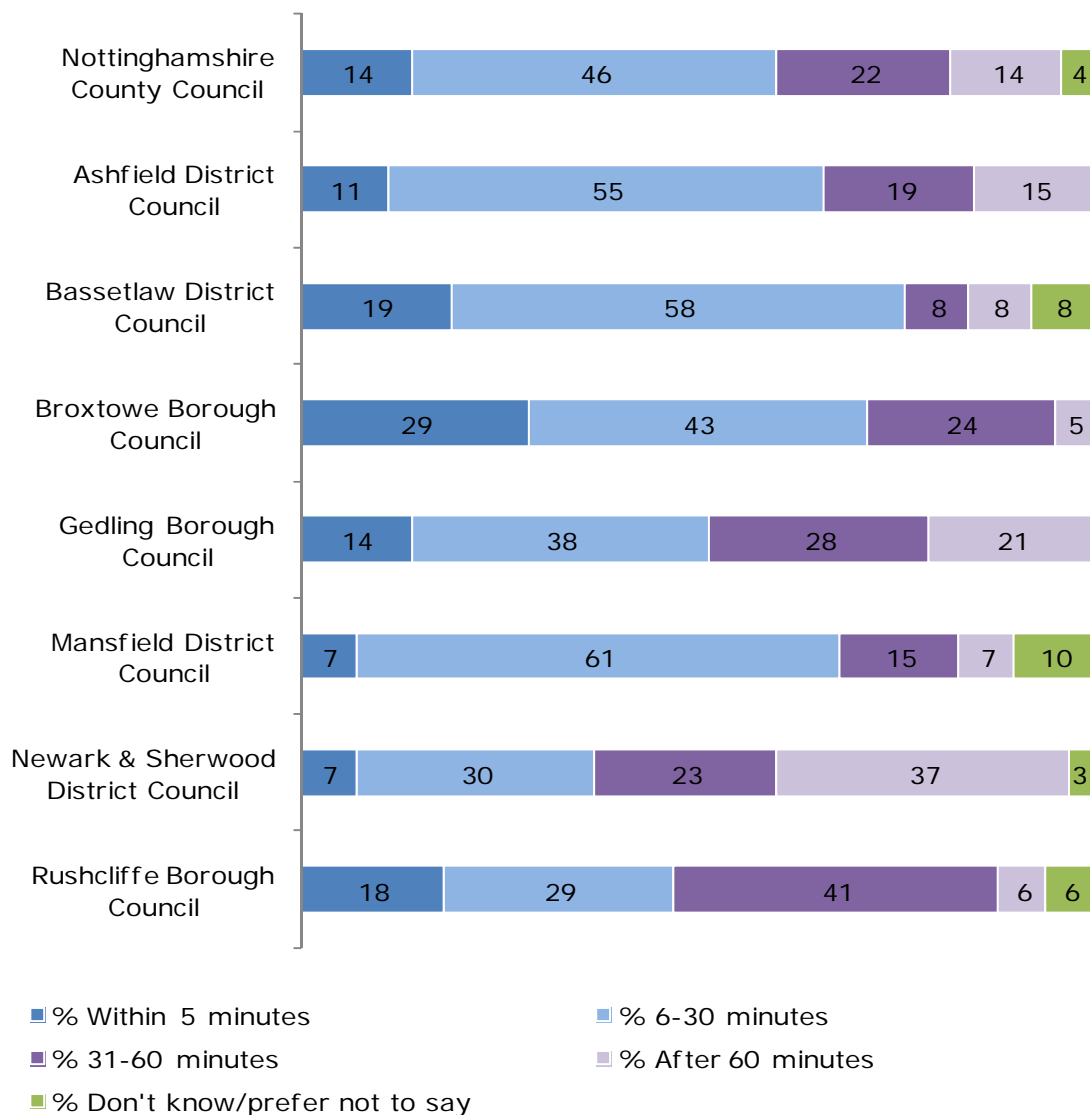




Of those respondents in Nottinghamshire that smoke everyday (n = 228), 60% smoke within five minutes of getting up or within 6-30 minutes of getting up (see Figure 31). Higher proportions of respondents in Bassetlaw (77%) and Broxtowe (72%) smoke within five minutes of getting up or within 6-30 minutes of getting up than those in Newark & Sherwood (37%) and Rushcliffe (47%). However, the results should be treated with caution due to the small subgroup sizes.

Figure 25 – How soon after getting up do you smoke

Base: All valid responses for those that smoke everyday (228)

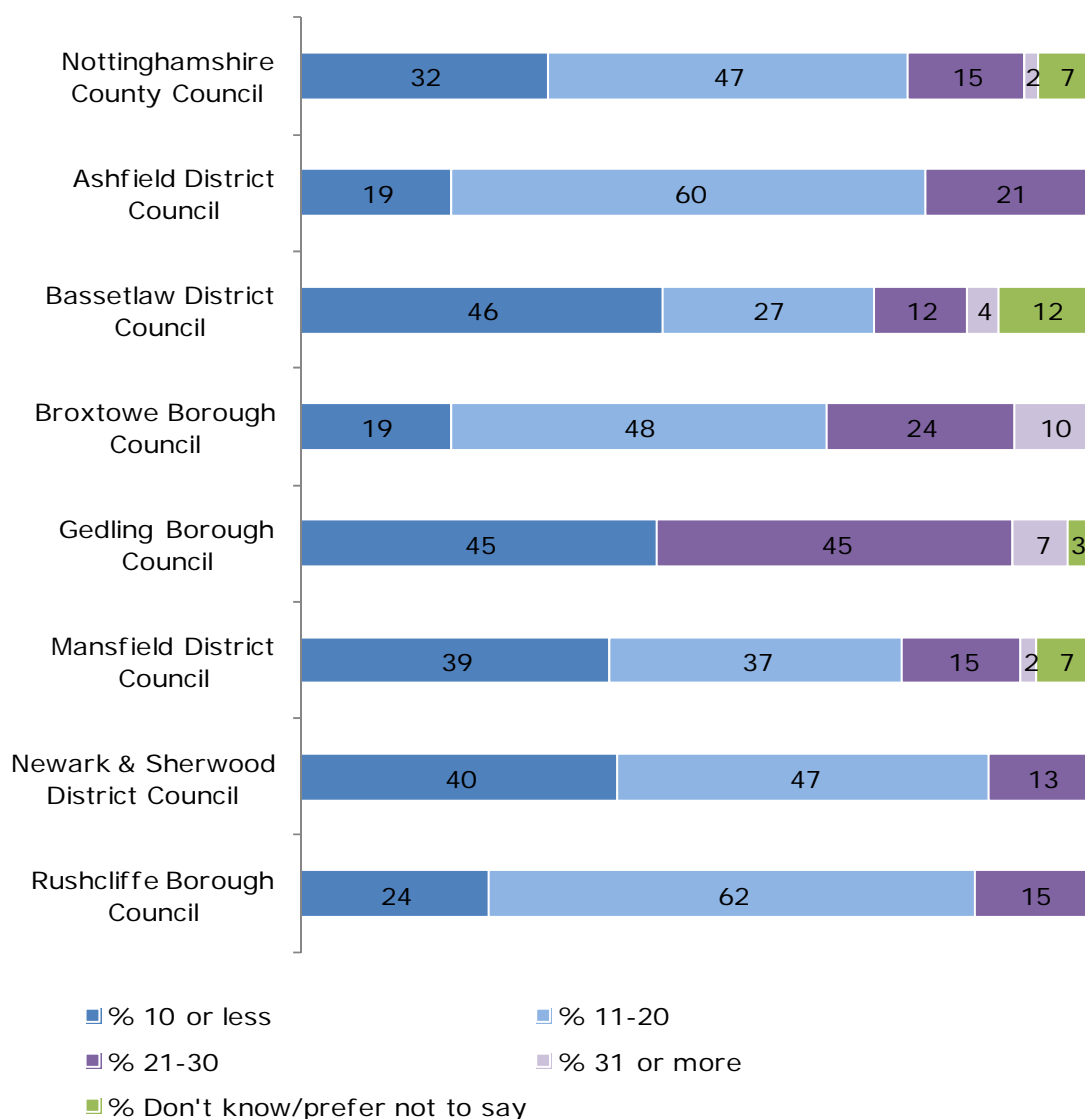




Of those respondents in Nottinghamshire that smoke everyday in Nottinghamshire (n = 228), almost half (47%) smoke 11-20 cigarettes, followed by nearly a third (32%) that smoke 10 or less (see **Figure 26**). The results across the Districts and Boroughs are shown in **Figure 26**.

Figure 26 – Number of cigarettes smoked per day

Base: All that smoke everyday (228)



The most important factors governing children's exposure to smoking are whether their parents or carers smoke and whether smoking is allowed in the home. Nottinghamshire respondents were asked about the prevalence of other people smoking in the household and whether they smoke in the home.



Of the respondents across Nottinghamshire, one in seven (15%) said that somebody else smokes in their household, whilst over four in five (84%) said that nobody else smokes in their household. Analysis by geographical area shows that higher proportions of respondents in Rushcliffe (26%) and Ashfield (20%) report of other people smoking in their household compared to Gedling (9%), Bassetlaw (11%) and Broxtowe (11%).

Of those households in Nottinghamshire where other people smoke in their household (n = 161) almost half (47%) said the other person smokes when they are in the house.

Alcohol Consumption

Alcohol misuse can have enormous health and social costs and can lead to increased inequalities in health. There is no single factor that accounts for the variation in individual risk of developing alcohol use disorders. Evidence suggests a wide range of factors, some of which interact with each other to increase the risk. For example, in general children of parents with alcohol dependence are four times more likely to develop alcohol dependency.

People can also learn from families and peer groups through a process of modelling pattern of drinking and beliefs about the effects of alcohol. The Department of Health has issued guidance on the classification of alcohol misuse based on the associated level of risk, the more you drink the greater the risk of developing health related complications which may result in hospitalisation.

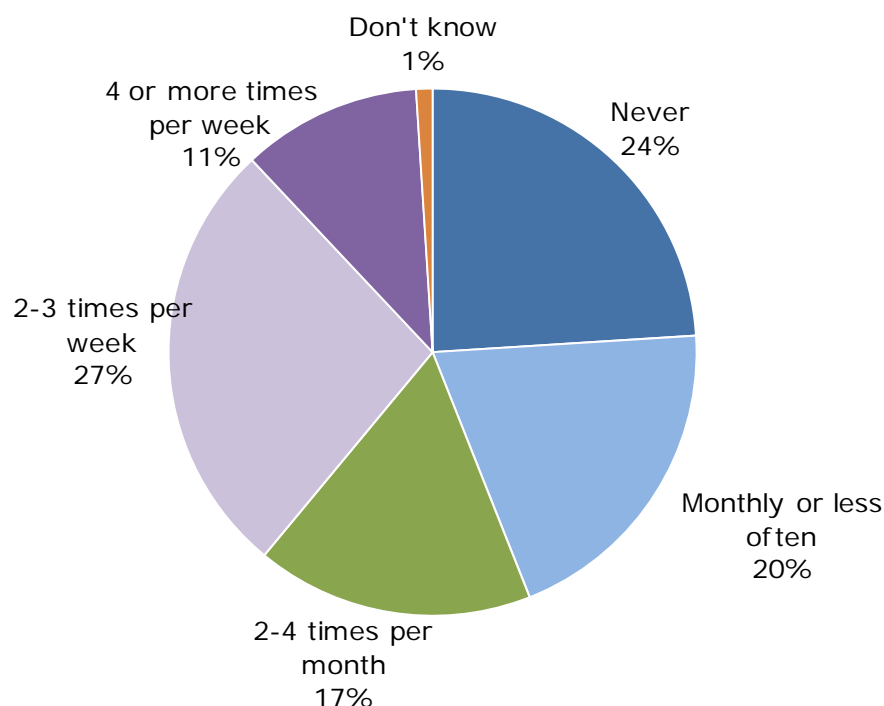
To determine alcohol consumption, respondents were asked a series of questions about how often and how many units of alcohol they drank, these are detailed below:

- Firstly, respondents were asked how often they have a drink that contains alcohol (see **Figure 27**)
- If the respondent drinks alcohol the interviewer asks:
 - How many units do you have on a typical day when you are drinking (see **Figure 28**)
 - How often do you have six (for women) eight (for men) or more units on one occasion (see **Figure 29**)

As shown in **Figure 27**, three-quarters (76%) of Nottinghamshire respondents drink alcohol. Of these respondents, just over a quarter (27%) drink 2-3 times per week, one in five (20%) drink monthly or less often, 17% drink 2-4 times per year and 11% drink 4 or more times per week.



Figure 27 – How often do you have a drink that contains alcohol
Base: All valid responses in Nottinghamshire (1,063)



The findings of the Nottinghamshire Annual Residents' Satisfaction Survey 2012 match quite well to what we understand about the drinking habits in Nottinghamshire. Local mapping carried out by the Public Health Intelligence Team for Nottinghamshire Public Health in May 2012 found that non-drinkers account for between 18-23% of the population.

There are slight variations in proportions that drink alcohol by geographical area and subgroups, gender, age and working status. However, as the base sizes for the subgroups are low the results should be treated with caution. Higher proportions of respondents in Gedling (37%) never drink alcohol compared to Ashfield (14%), Rushcliffe (18%) and the County as a whole (24%).

Slightly higher proportions of females (28%) do not drink compared to males (20%) and those aged 75+ (35%) compared to those aged 55-64 (20%). Higher proportions of those who do not work do not drink (31%) compared to those that work (20%).

Of the female respondents in Nottinghamshire that drink alcohol, one in ten (10%) drink more than the recommended six units for women (see **Figure 28**). Of the male respondents in Nottinghamshire that drink alcohol, 13% drink more than the recommended eight units for men (see **Figure 29**).

The Local Alcohol Profiles England identify Nottinghamshire as having a synthetic estimate of binge drinking (six units or more females eight units or more males in one sitting) as 21%, so this is quite a bit more than the 10% observed for females and 13% observed for men in 2012.



Variations exist across the County areas, higher proportions of female respondents in Ashfield (25%) drink more than six units on a typical day when they are drinking than those in Newark & Sherwood (2%) and Rushcliffe (4%). Higher proportions of females aged 25-34 (20%) and 18-24 (15%) drink more than six units on a typical day when drinking than those 45 and over. However, as the base sizes for the subgroups are low the results should be treated with caution.

Higher proportions of male respondents in Broxtowe (31%) and Ashfield (20%) drink more than eight units on a typical day when drinking than those in Rushcliffe (0%) and Newark & Sherwood (5%). Higher proportions of men aged 18-24 (27%) drink more than eight units on a typical day than those aged 75+ (0%) and 65-74 (9%). However, as the base sizes for the subgroups are low the results should be treated with caution.

Figure 28 – Number of units consumed on a typical day when drinking
Base: All valid responses for women who drink alcohol (383)

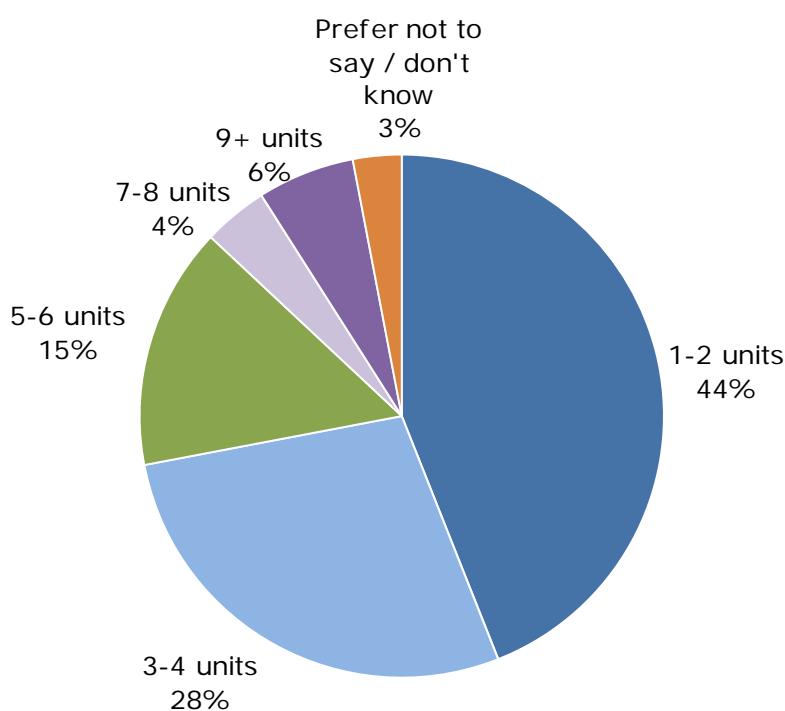
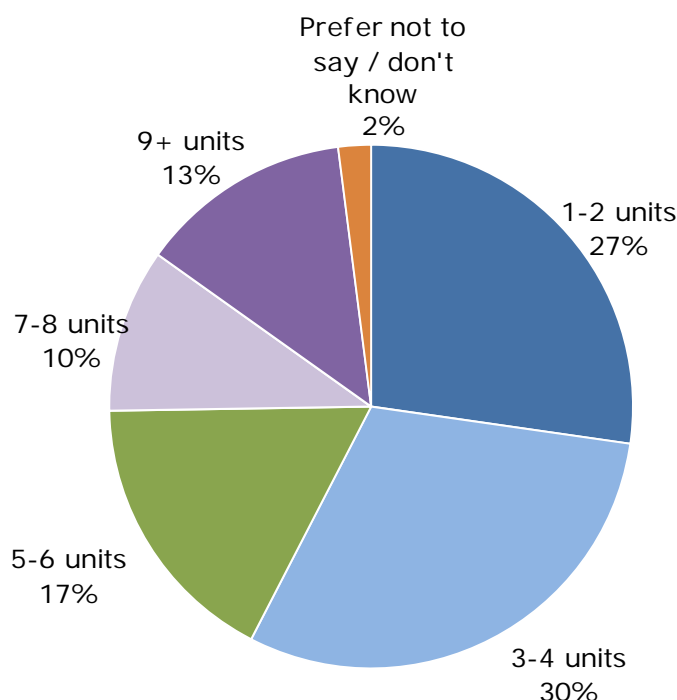
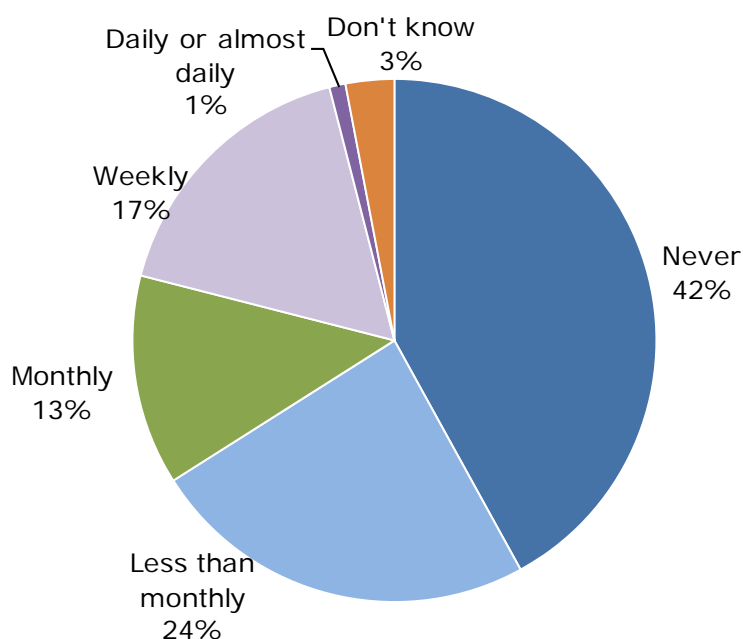


Figure 29 – Number of units consumed on a typical day when drinking
Base: All valid responses for men who drink alcohol (423)



As shown in **Figure 30**, of the respondents in Nottinghamshire that drink alcohol, just over two in five (43%) never drink more than six (for women) eight (for men) or more units on one occasion. A quarter (24%) of respondents drink more than six (for women) eight (for men) or more units less than monthly. One in eight (13%) drink more than six (for women) eight (for men) or more units monthly.

Figure 30 – How often do you have six (for women) eight (for men) or more units on one occasion?
Base: All who drink alcohol (806)





Looking across the results by geographical area and subgroups, higher proportions of respondents in Newark & Sherwood (53%) and Bassetlaw never drink more than six (for women) eight (for men) units on one occasion that those in Ashfield (28%) and Gedling (39%). Higher proportion of females (50% never drink more than the recommended units compared to males (34%). Higher proportions of respondents aged 45 and over never drink more than the recommend numbers of units compared to the younger age groups.

Mental Health and Well-Being

Mental health is a state of well-being in which an individual is able to realise his or her own potential, can cope with the normal stresses of life, can work productively and is able to contribute to his or her community. As such, good mental health is central to the quality of life of the individual and the effective functioning of a community. Multiple social, psychological and biological factors determine the level of mental health. These include persistent socio-economic pressures, poverty and social exclusion, low levels of education, unhealthy lifestyles, physical ill health and genetic factors.

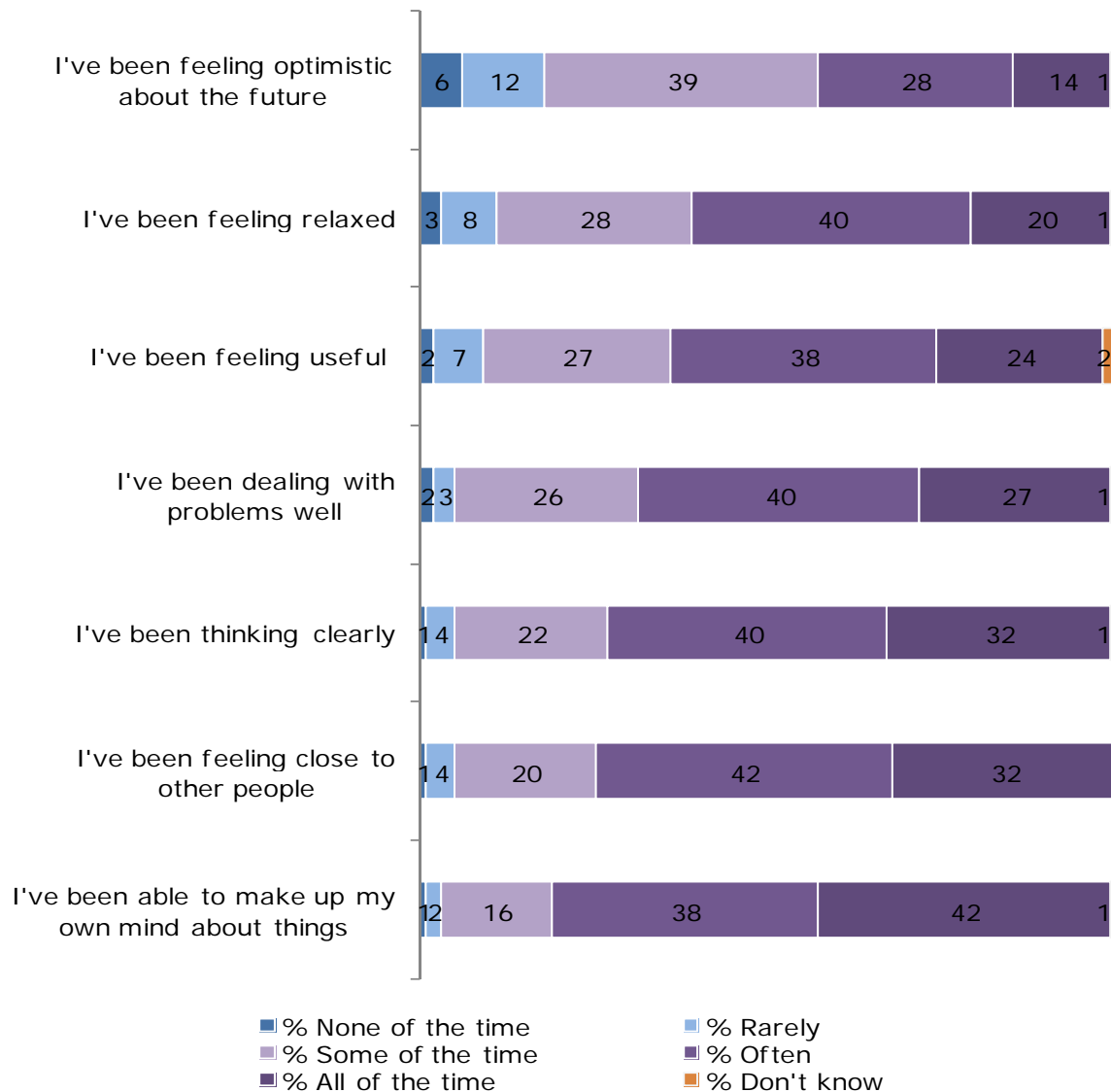
Respondents were asked to self-complete a series of questions (see **Figure 31**), which comprise the Short Warwick Edinburgh Mental Well-being Scale (SWEMWBS). Rather than assess the level of mental illness in a population this assesses population mental well-being. The SWEMWBS measurement of well-being is a seven item, positively word scale with five responses from none of the time to all of the time.

Four in five (80%) of Nottinghamshire respondents said they are able to make up their own mind about things, often or all of the time, followed by those who said they have been feeling close to other people (74% answered often or all of the time).

Respondents were less likely to say they feel optimistic about the future, just over two in five (42%) of respondents said often or all of the time, with one in six (18%) said none of the time or rarely.

Similarly, respondents were less positive about feeling relaxed, 60% answered often or all of the time and 11% answered none of the time or rarely.

The results for each of the mental wellbeing statements are set out over the next few pages.

**Figure 31 - Mental well-being statements****Base: All valid responses in Nottinghamshire (1,063)**

Feeling Optimistic about the Future

Respondents in Rushcliffe are more likely to say they feel optimistic about the future often or all of the time compared to those in Ashfield and Gedling (76% compared to 26% and 35%). Respondents aged 18-24 (57%), 25-34 (44%), and 35-44 (52%) are more likely to say they feel optimistic about the future often or all of the time compared to the older age groups.

Differences by working status can also be observed with those who work more likely to say they feel optimistic about the future often or all of the time compared to those who do not (49% compared to 34%).



Feeling Relaxed

Respondents in Rushcliffe (77%) and Ashfield (66%) are more likely to say they have been feeling relaxed often or all of the time compared to those in Gedling (42%) or Broxtowe (50%).

Similar results can be observed by working status. Higher proportions of men stated they have been feeling relaxed often or all of the time compared to women (65% compared to 56%). Respondents that are aged 18-24 (74%) are more likely to say that they have been feeling relaxed often or all of the time compared to all other age groups.

Feeling Useful

Respondents in Rushcliffe are more likely to say they have been feeling useful often or all of the time compared to those in Ashfield or Broxtowe (86% compared to 50% and 50% respectively).

Differences by working status can also be observed with those who work more likely to say they have been feeling useful often or all of the time compared to those who do not (69% compared to 55%).

Dealing with Problems Well

Respondents in Rushcliffe (87%) are more likely to say they have been dealing with problems well often or all of the time compared to those in Bassetlaw (57%) and compared to Broxtowe (57%).

Similar results can be observed across the demographic subgroups, age, gender and working status.

Thinking Clearly

Respondents in Rushcliffe (89%) and Newark & Sherwood (86%) are more likely to say they have been thinking clearly all of the time compared to those in Broxtowe (62%) and Gedling (65%).

Similar results can be observed across the demographic subgroups, age, gender and working status.

Feeling Close to Other People

Respondents in Rushcliffe (94%) and Newark & Sherwood (81%) are more likely to say they have been feeling close to other people all of the time compared to those in Ashfield (66%) and Bassetlaw (67%).

Similar results can be observed across the demographic subgroups, gender and working status. However, higher proportions of respondents aged 18-24 (83%) and 35-44 (84%) stated they have been feeling close to other people often or all of the time compared to all other age groups.



Able to Make Up My Own Mind about Things

Higher proportions of respondents in Newark & Sherwood (96%) and Rushcliffe (92%) said they have been able to make up their own mind about things often or all of the time compared to those in Bassetlaw (71%) and Mansfield (72%).

Similar results can be observed across the demographic subgroups, age, gender and working status.

Respondents were asked a series of questions relating to their mental well-being and companionship (see **Figure 32**).

Feeling Isolated from Others

Almost nine in ten (86%) Nottinghamshire respondents said they feel isolated from others none of the time or rarely, with only 4% that stated often or all of the time (see **Figure 32**).

Respondents in Rushcliffe (96%), Bassetlaw (91%) and Ashfield (91%) are more likely to say they feel isolated from others none of the time or rarely compared to those in Broxtowe (70%) and Gedling (76%). Respondents aged 75+ are less likely to state that they feel isolated from others none of the time or rarely compared to the County as a whole (74% compared to 86%). Similar results can be observed across demographic subgroups, gender and working status.

Feeling Left Out

Almost nine in ten (86%) of Nottinghamshire respondents stated they feel left out none of the time or rarely, with only 3% that stated often or all of the time (see **Figure 32**).

Respondents in Rushcliffe (94%) and Ashfield (93%) are more likely to say they feel left out none of the time or rarely compared to those in Broxtowe (72%). Results are very similar across the demographic subgroups, age, gender and working status.

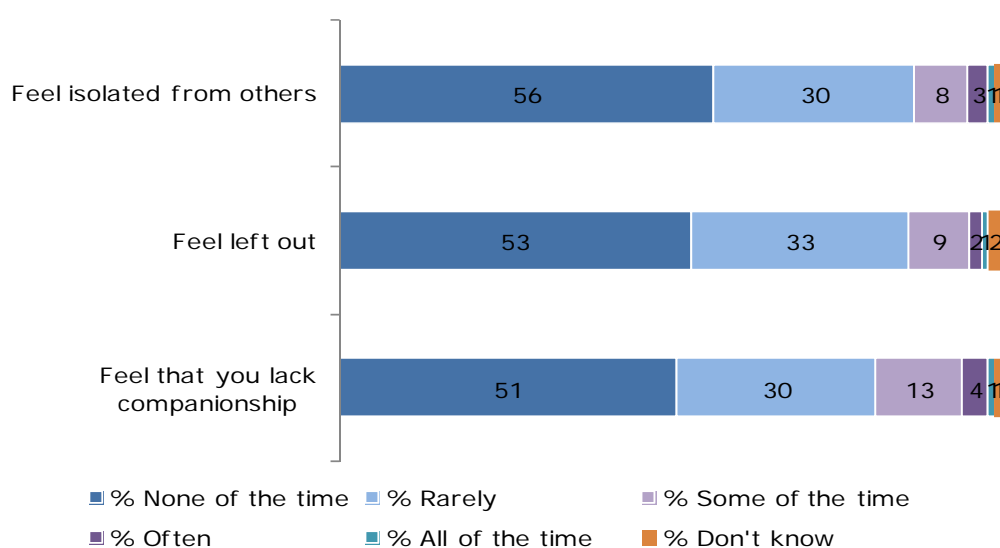
Feeling that you Lack Companionship

Four in five (81%) of respondents said they feel they lack companionship none of the time or rarely, with 5% that stated often or all of the time (see **Figure 32**).



Respondents in Rushcliffe (94%) and Ashfield (92%) are more likely to say they feel that they lack companionship none of the time or rarely compared to those in Gedling (62%) and Broxtowe (65%). Respondents aged 75+ are less likely to state that they feel that they lack companionship none of the time or rarely compared to the County as a whole (67% compared to 81%). Similar results can be observed across the demographic subgroup gender. Higher proportions of those that work stated that they feel they lack companionship none of time of rarely compared those that do not work (82% compared to 73%).

Figure 32 - Mental well-being statements - companionship
Base: All respondent (1,063)



Democratic Engagement

One in six (16%) respondents across Nottinghamshire wanted to pass on their contact details to the Council and its partners to be kept informed about events and services. One in eight (13%) of respondents wanted to pass on their contact details to the council so they could have their say about services and events.

When asked how would you like the Council and its partners to contact you in the future, almost two thirds (65%) stated a letter by post, a quarter (24%) stated via email and only one in seven (14%) stated by telephone.



Acknowledgments

Enventure Research would like to express their gratitude to everyone who took part in the survey. We would also like to thank Angela Smeeton from Nottinghamshire County Council for her help throughout the survey process. Special thanks also goes to the partners (Nottinghamshire NHS, Ashfield District Council, Broxtowe Borough Council and NHS Bassetlaw) for their input in the survey design and sample planning.

REPORT OF THE DEPUTY LEADER OF THE COUNTY COUNCIL**HEALTH AND WELLBEING BOARD ARRANGEMENTS****Purpose of the Report**

1. To finalise arrangements for the Health and Wellbeing Board, which takes on its statutory role from 1 April 2013.

Information and Advice

2. The Health and Wellbeing Board (the Board) has been meeting as a Shadow Board since March 2011 in anticipation of assuming its full statutory role from 1 April 2013.
3. Proposed terms of reference for the Board, to take effect from 1 April 2013, are attached at **Appendix 1** to this report. These are based on the terms of reference the Shadow Board has been working to, with minor amendments in accordance with the final legislation.
4. The Department of Health has recently published the Local Authority (Public Health and Wellbeing Board and Health Scrutiny) Regulations 2013. The Regulations include various provisions regarding membership and voting rights on health and wellbeing boards. The effect of the Regulations is that: -
 - (a) a Board may delegate functions to a sub-committee of the Board or to an officer (reg. 3);
 - (b) a Board may be established as a joint committee with another local authority, and may appoint a joint sub-committee (reg. 4);
 - (c) a Board may appoint an advisory sub-committee (reg. 4);
 - (d) people who are bankrupt or who have criminal convictions may be Board members (reg. 5). This is because some authorities, when consulted, said that they did not want there to be a constraint on who might be appointed as a service user representative.
 - (e) employees of the local authority may be Board members (reg. 5); this enables the three chief officers to be full members of the Board.
 - (f) all Board members will have voting rights, unless the local authority (having consulted the Board) decides otherwise (reg. 6);
 - (g) membership of the Board does not have to reflect the overall political balance of the local authority (reg. 7).

5. The current membership of the Health and Wellbeing Board is: -

- Five County Councillor members appointed at the annual meeting of Full Council (currently Councillors Reg Adair, Mrs Kay Cutts, Stan Heptinstall MBE, Alan Rhodes and Martin Suthers OBE)
- Two representatives from District Councils (currently Councillor Jenny Hollingsworth of Gedling Borough Council and Councillor Tony Roberts of Newark and Sherwood District Council)
- Corporate Director, Adult Social Care, Health and Public Protection Services – David Pearson
- Corporate Director, Children, Families and Cultural Services – Anthony May
- Director of Public Health – Chris Kenny
- Six NHS Clinical Commissioning Groups (CCGs)
 - Dr Steve Kell - Bassetlaw CCG
 - Dr Raian Shiekh - Mansfield and Ashfield CCG
 - Dr Mark Jefford – Newark and Sherwood CCG
 - Dr Guy Mansford – Nottingham West CCG
 - Dr Tony Marsh – Nottingham North & East CCG
 - Dr Jeremy Griffiths – Rushcliffe CCG
- Chairman of the Local Healthwatch
- One representative from the NHS Commissioning Board – Helen Pledger - Director of Finance, Local Area Team.

6. This membership is in accordance with the statutory requirements and no amendments are proposed at this time. The membership includes three County Council chief officers, and the County Councillor membership maintains political balance.

7. The Regulations are silent on whether the Councillor's Code of Conduct applies to the whole membership of the Board. Guidance is awaited at the time of writing this report.

8. The Council has appointed a Director of Public Health as required by the legislation. The Constitution needs to be updated to include provision for this statutory officer, and the amendments are attached at **Appendix 2** to this report.

9. The Constitution will also need to be amended to remove all references to the Shadow Board. It is proposed that County Council authorises the Monitoring Officer to make these amendments.

Other Options Considered

10. It is a requirement for the County Council to establish a Health and Wellbeing Board by 1 April 2013. The proposed terms of reference are in accordance with the legislation. Full Council has discretion in relation to the County Councillor membership of the Board.

Reason for Recommendations

11. To ensure the Council has a Health and Wellbeing Board that is in a position to take on its statutory role from 1 April 2013.

Statutory and Policy Implications

12. 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.

RECOMMENDATIONS

- 1) To adopt the terms of reference for the Health and Wellbeing Board set out in **Appendix 1** to the report from 1 April 2013.
- 2) To note and approve the current membership of the Board; in particular that the Corporate Director Adult Social Care Health and Public Protection, the Corporate Director Children Families and Cultural Services and the Director of Public Health are included in the membership notwithstanding that they are employees of Nottinghamshire County Council; and also that the County Councillor representation reflects the political balance of the Authority.
- 3) To approve the amendments to the Council's Constitution set out in **Appendix 2** to the report.
- 4) To authorise the Monitoring Officer to make consequential amendments to the Constitution.

Councillor Martin Suthers OBE
Deputy Leader of the County Council

For any enquiries about this report please contact:

Sue Bearman, Senior Solicitor
Susan.Bearman@nottscc.gov.uk
01159773378

Constitutional Comments (SG 19/02/2013)

13. Full Council is the appropriate body to decide the issues referred to in this Report.

Financial Comments (MB 20/02/2013)

14. There are no financial implications.

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.

- The Councillor Code of Conduct is published in the Council's Constitution (<http://www.nottinghamshire.gov.uk/dms/Constitution/tabid/105/FolderID/5/Constitution-2012-Current-Version.aspx>)
- The Health and Social Care Act 2012 is published (<http://www.legislation.gov.uk/ukpga/2012/7/contents/enacted>)
- The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013 are published (<http://www.legislation.gov.uk/uksi/2013/218/made>)
- The County Council report of 19 May 2011 is published (<http://www.nottinghamshire.gov.uk/DMS/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=%2fPUObFao503TZ%2fKhWXoVmL%2bSvlctFu33zQx9C6PpHd4SGOv%2fMlbW8Q%3d%3d&mCTIbCubSFfXsDGW9IXnlq%3d%3d=hFfIUdN3100%3d&kCx1AnS9%2fpWZQ40DXFvdEw%3d%3d=hFfIUdN3100%3d&uJovDxwdjMPoYv%2bAJvYtyA%3d%3d=ctNJFf55vVA%3d&FgPIIEJYlotS%2bYGoBi5olA%3d%3d=NHdURQburHA%3d&d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJFf55vVA%3d&WGewmoAfeNR9xqBux0r1Q8Za60lavYmz=ctNJFf55vVA%3d&WGewmoAfeNQ16B2MHuCpMRKZMwaG1PaO=ctNJFf55vVA%3d>)
- The County Council report of 31 March 2011 is published (<http://www.nottinghamshire.gov.uk/DMS/Document.ashx?czJKcaeAi5tUFL1DTL2UE4zNRBcoShgo=85SFLogP7aYDBQHoBA%2fB%2fD4ckOeHKuccoLBq81EfQkSHeBn4LRk0KA%3d%3d&mCTIbCubSFfXsDGW9IXnlq%3d%3d=hFfIUdN3100%3d&kCx1AnS9%2fpWZQ40DXFvdEw%3d%3d=hFfIUdN3100%3d&uJovDxwdjMPoYv%2bAJvYtyA%3d%3d=ctNJFf55vVA%3d&FgPIIEJYlotS%2bYGoBi5olA%3d%3d=NHdURQburHA%3d&d9Qjj0ag1Pd993jsyOJqFvmyB7X0CSQK=ctNJFf55vVA%3d&WGewmoAfeNR9xqBux0r1Q8Za60lavYmz=ctNJFf55vVA%3d&WGewmoAfeNQ16B2MHuCpMRKZMwaG1PaO=ctNJFf55vVA%3d>)

Electoral Division(s) and Member(s) Affected

All

Appendix 1

(County Council Constitution 'Part 4 – Responsibility for Functions', page 4-12)

HEALTH AND WELLBEING BOARD – TERMS OF REFERENCE

44. To prepare and publish a joint strategic needs assessment.

45. To prepare and publish a health and wellbeing strategy based on the needs identified in the joint strategic needs assessment and to oversee the implementation of the strategy.

46. Discretion to give Nottinghamshire County Council an opinion on whether the Council is discharging its statutory duty to have due regard to the joint strategic needs assessment and the health and wellbeing strategy.

47. To promote and encourage integrated working including joint commissioning in order to deliver cost effective services and appropriate choice. This includes providing assistance and advice and other support as appropriate, and joint working with services that impact on wider health determinants.

Appendix 2

(County Council Constitution 'Part 4 – Responsibility for Functions', page 4-24)

PART B – SCHEME OF DELEGATION TO OFFICERS

1. This Scheme sets out the delegated powers of officers of the County Council. For the purposes of the Scheme of Delegation the term 'Corporate Director' includes the Chief Executive and the Director of Public Health.

DIRECTOR OF PUBLIC HEALTH

23. To be the designated Director of Public Health in accordance with Section 30 of the Health and Social Care Act 2012.

24. The exercise of the responsibilities set out below are delegated by the County Council:

a. Taking all operational decisions necessary to secure the provision of service and/or the discharge of statutory functions, including the power to enter into contracts, in accordance with approved policies and Financial Regulations in relation to the following areas:

- Public Health

b. Holding officers to account for the performance of their service areas.

REPORT OF THE LEADER OF THE COUNTY COUNCIL**NOTTINGHAMSHIRE LOCAL BROADBAND PLAN****Purpose of the Report**

1. The purpose of this report is to inform Council of progress towards procuring a delivery partner for the Superfast Broadband project, and to offer further details of the areas of the County which will benefit from the investment.

Information and AdviceProcurement

2. The County Council is now in the latter stages of the procurement process to secure a delivery partner for the broadband initiative. The full and final Invitation to Tender for the initiative was published on 20th February 2013 to the two bidders on the national framework, BT and Fujitsu. Bids are due to be returned to the Council by 26th April 2013.
3. A formal evaluation period will then follow, with the Council anticipating reaching a decision by 20th May 2013. Clearance for State Aid issues and confirmation of the total funding package will need to be in place by that date. The Government's broadband delivery arm, BDUK, is urging the Council to have the contract signed off by the end of June 2013, to enable mobilisation to begin in July.

Intervention areas

4. Maps of each of the Nottinghamshire Borough and District Council areas are appended to this report. They will also be posted on the broadband section of the Council's website. These maps show where public sector investment in Next Generation Access (NGA) broadband is permitted through the programme (the 'white' areas). Areas shown as grey already have access to NGA broadband through one provider. Areas shown as black have NGA broadband through two or more providers. To confirm, the Council cannot invest in these grey or black areas.
5. The maps form part of the Invitation to Tender, and are now 'locked down'. The Council has to comply with strict regulations relating to competition and State Aid, and also with the Government's own requirements through the BDUK programme. It should be noted that the maps are formed from data provided by the telecommunications providers on their existing infrastructure and future investment plans. The Council does not have the ability to influence the scope of the intervention ('white') areas, due to State Aid restrictions.

6. For information, the final number of premises in each Borough or District Council area which will benefit from the investment is as follows:

District	No of premises	% of Notts premises
Ashfield	2,994	3.8%
Bassetlaw	15,599	20%
Broxtowe	2,149	2.8%
Gedling	2,867	3.7%
Mansfield	3,511	4.5%
Newark and Sherwood	26,182	33.6%
Rushcliffe	13,220	17.0%
Nottingham City	11,179	14.4%
Other	136	0.2%
Total	77,837	100%

7. The overall number has reduced significantly from the initial BDUK data (April 2011). This is likely due to commercial roll-out activity that has taken place since the original BDUK data was published. However, the Government's funding allocation to the project remains unchanged at £4.25 million. The requirement for local sources of match funding to the full £4.25 million also remains unchanged.

Financials

8. The BDUK model suggests that total funding for the project will be split into thirds, with one-third coming from central Government, one-third from local sources and one-third from the successful bidder. This would suggest a total investment in Nottinghamshire of £12.75 million. The Council will not know whether this is sufficient until bids are returned at the end of April.
9. Alongside the procurement process, the Council continues to seek alternative sources of funding to meet the existing shortfall and to enable delivery of an enhanced investment programme. An application for European Regional Development Funds (ERDF) was submitted on 7th February which, if successful, will bring an additional £2.7 million to the project. It is hoped that additional funds such as these will be used to deliver fibre coverage further into the County, therefore ensuring that the 90% superfast target is exceeded.

Mobilisation and delivery

10. Working on the basis that contracts will be signed by the end of June 2013, it is anticipated that the 'first dig' for the project will take place before the end of the calendar year. The successful contractor will need some time post contract signing to plan their delivery and roll-out activities, and to mobilise their operations to an optimum level.
11. The project must be delivered in full by December 2015. The County Council is working with its Borough and District Council partners to ensure that issues relating to planning, conservation areas, highways and way-leaves are dealt with consistently and efficiently throughout the process.

Statutory and Policy Implications

12. 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.

Financial Implications

13. The financial implications are highlighted within the report.

Equalities Implications

14. An Equality Impact Assessment has been produced for the Nottinghamshire Broadband Plan and is available with the background papers.

RECOMMENDATIONS

It is recommended that:

- 1) Council notes progress towards the procurement of a broadband delivery partner; and
- 2) Continues to work with partners to encourage demand for better broadband across the County, and in particular in those areas that will benefit from this new investment

Report of the Leader of the County Council

For any enquiries about this report please contact: Nicola M^cCoy-Brown Tel: 0115 977 72580

Finance comments [DJK 18.02.2013]

The contents of this report are duly noted; the financial implications are contained within the report.

Constitutional comments [NAB 14.02.2013]

Council has authority to consider and approve the matters set out in this report.

Background Papers

Borough and District Council level 'white area' maps

Report to County Council – 20th December 2012

Report to County Council – 11th December 2011

The Nottinghamshire Local Broadband Plan and additional documentation is available at www.nottinghamshire.gov.uk/broadband

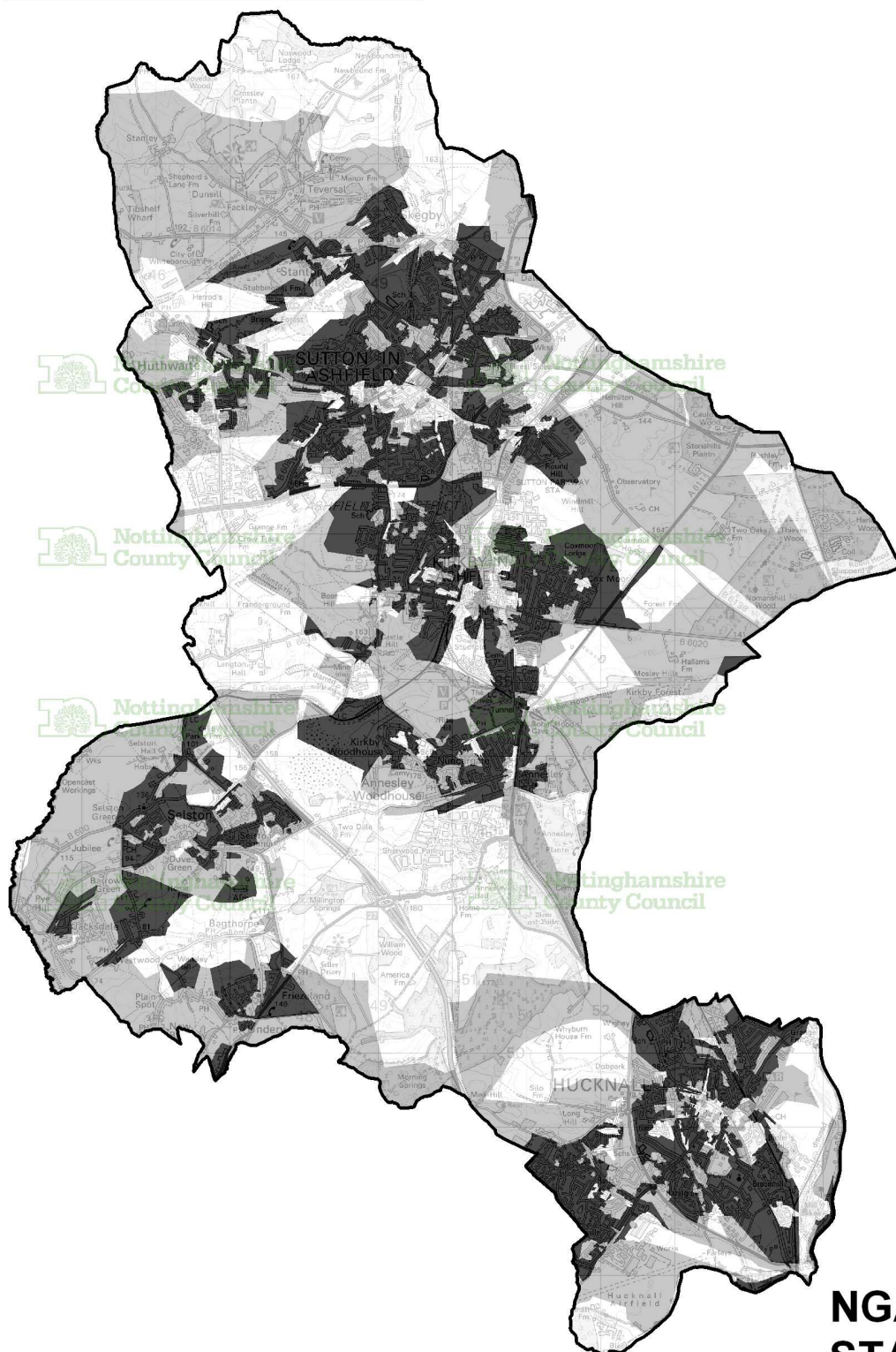
Equality Impact Assessment

Electoral Division(s) and Member(s) Affected

All

Category of Postcode (OMR)

- NGA White
- NGA Grey
- NGA Black



NGA BROADBAND STATE AID MAP ASHFIELD DISTRICT

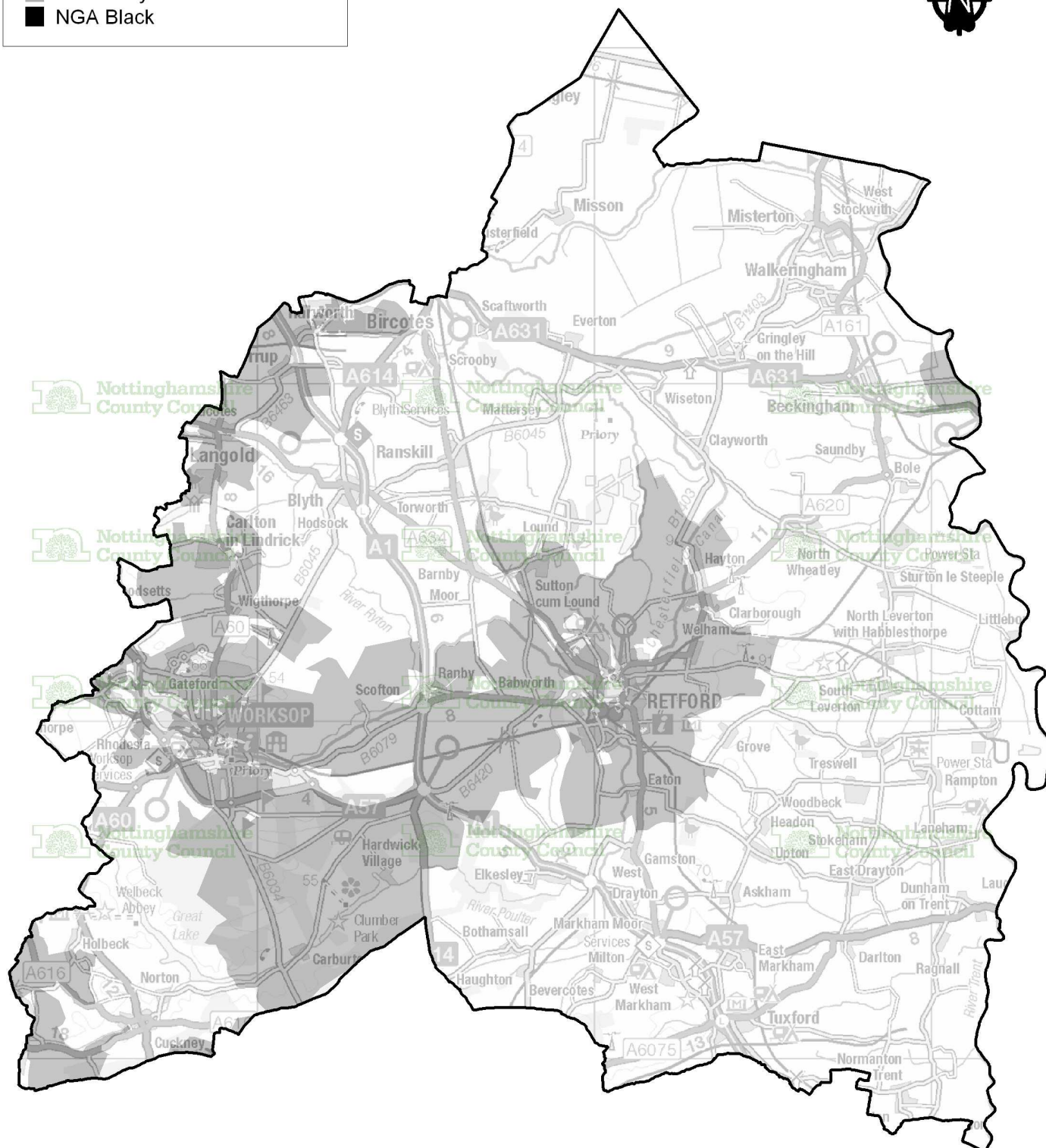
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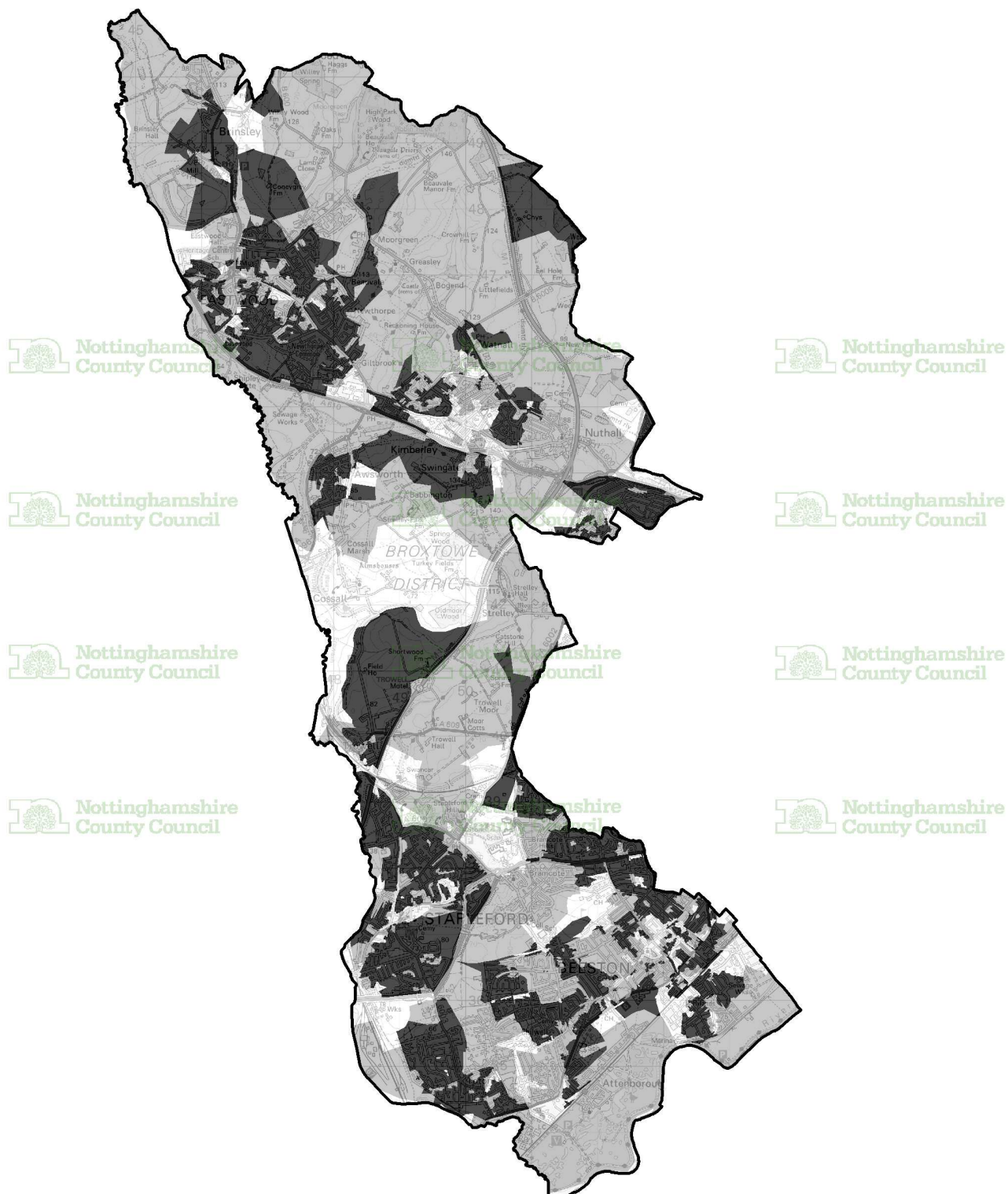
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NGA BROADBAND STATE AID MAP BASSETLAW DISTRICT

Category of Postcode (OMR)

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NGA BROADBAND STATE AID MAP BROXTOWE DISTRICT



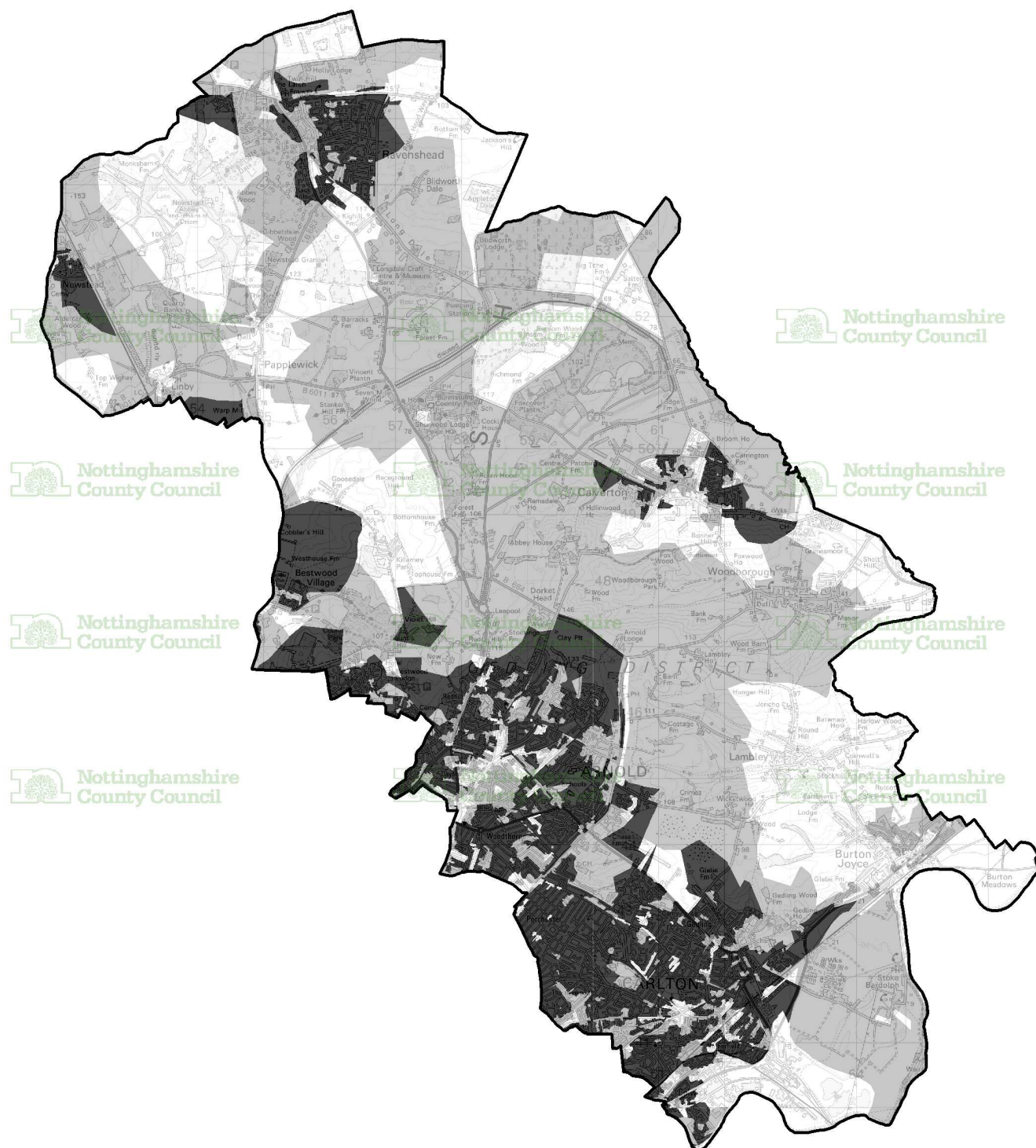
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NGA BROADBAND STATE AID MAP GEDLING DISTRICT



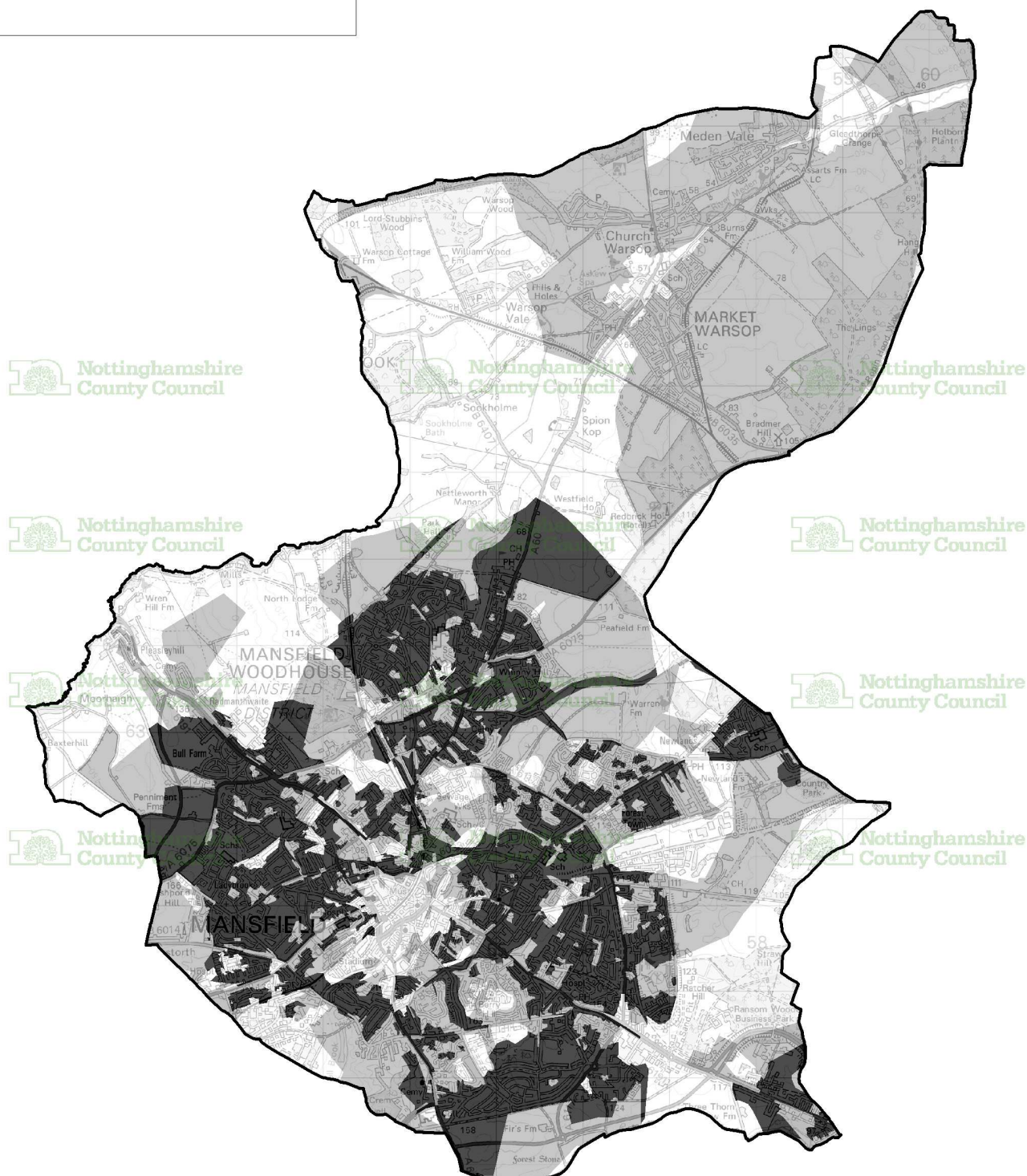
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NGA BROADBAND STATE AID MAP MANSFIELD DISTRICT

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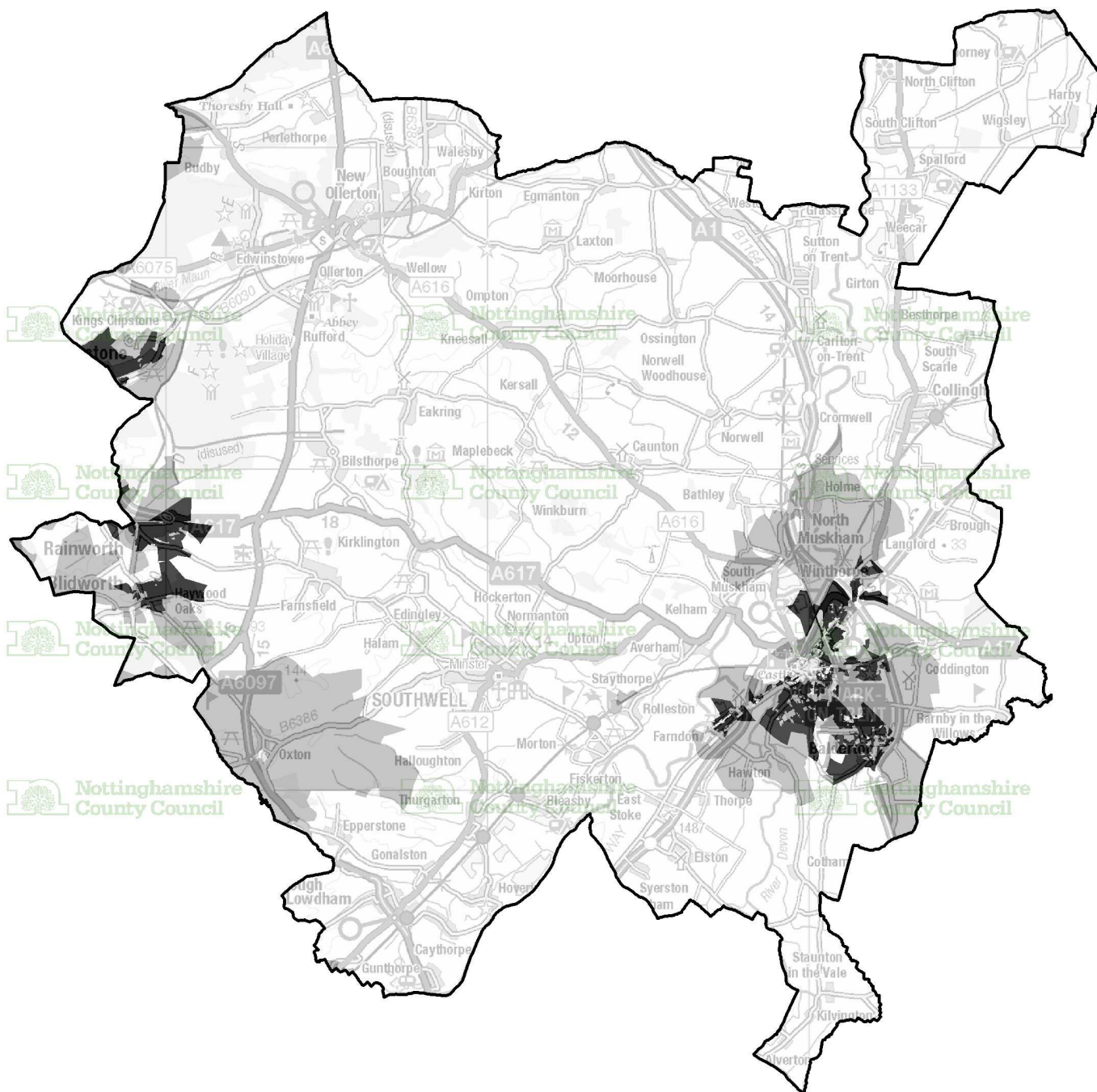
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Category of Postcode (OMR)

- NGA White
- NGA Grey
- NGA Black



NGA BROADBAND STATE AID MAP NEWARK AND SHERWOOD DISTRICT



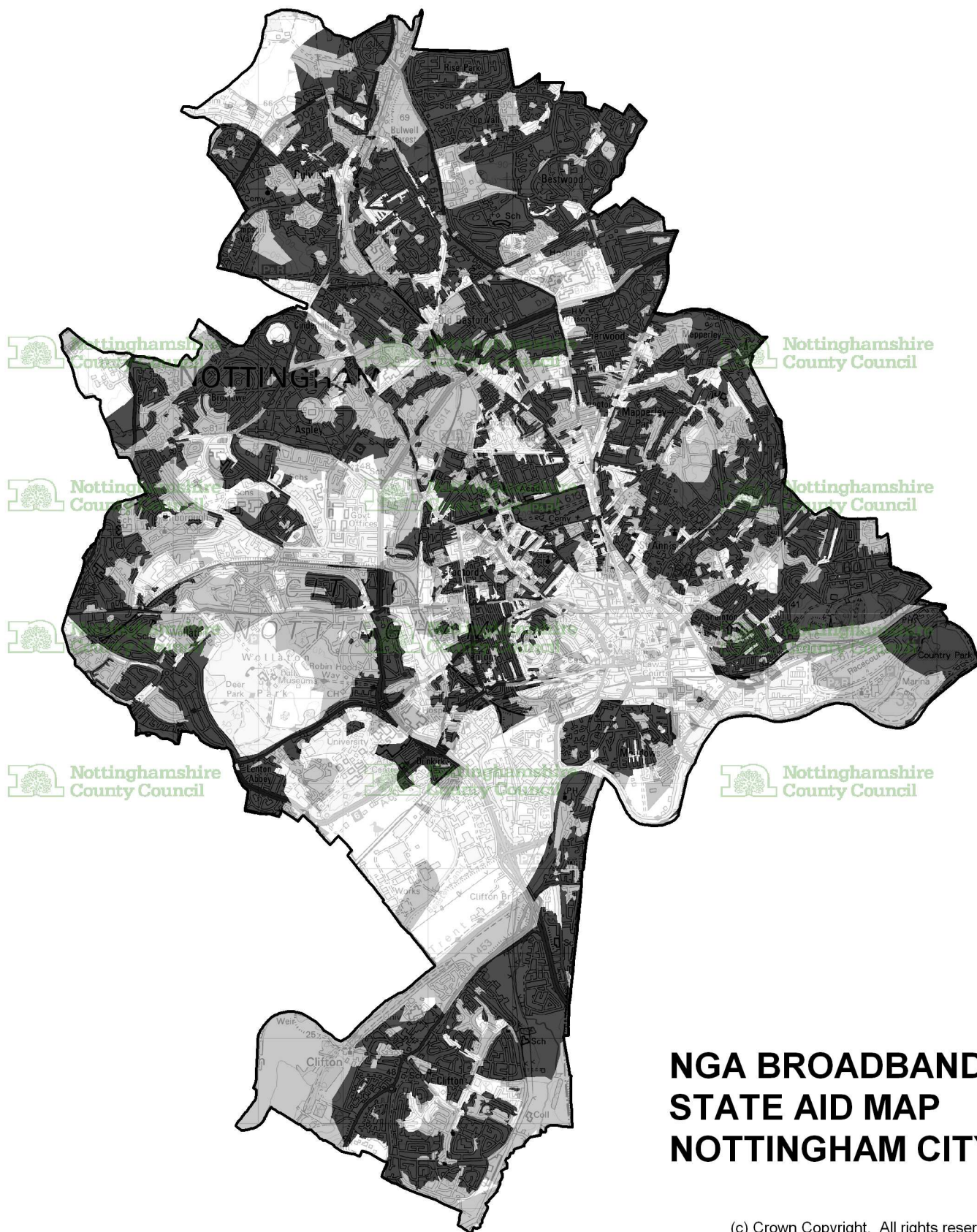
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Category of Postcode (OMR)

- NGA White
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- NGA Black



NGA BROADBAND STATE AID MAP NOTTINGHAM CITY



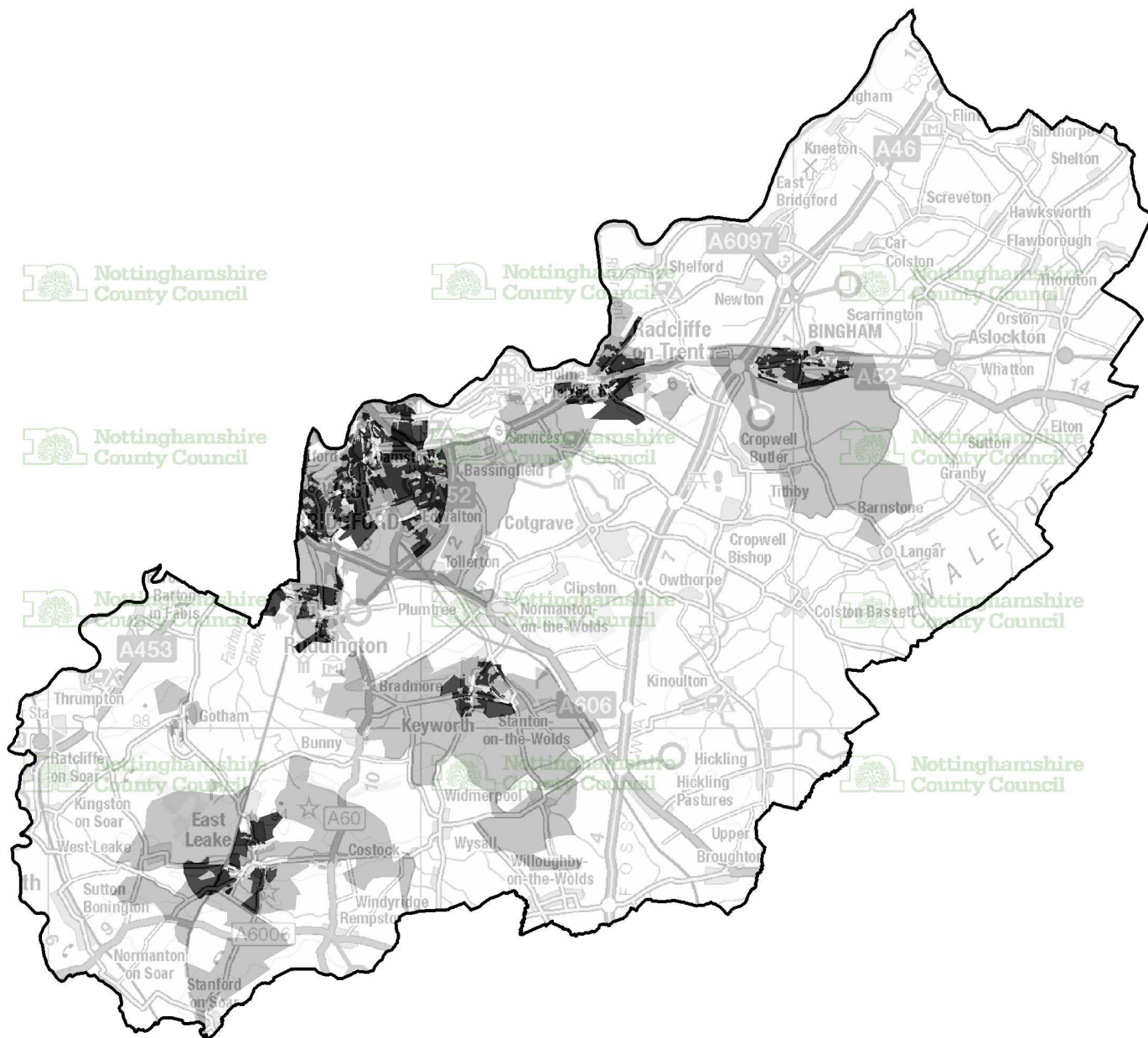
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NGA BROADBAND STATE AID MAP RUSHCLIFFE DISTRICT



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

1. The purpose of this report is to:
 - approve the Annual Budget for 2013/14
 - approve the level of the Capital Programme for 2013/14 to 2016/17
 - approve the Medium Term Financial Strategy for 2013/14 to 2016/17
 - approve the amount of Council Tax to be levied for County Council purposes for 2013/14 and the arrangements for collecting this from District and Borough Councils
 - approve borrowing limits that the Council is required to make by Statute
 - approve the Treasury Management Strategy and Policy for 2013/14

Executive Summary

2. The budget for 2013/14 has been prepared in an environment of unprecedented change for local government. The Government's overarching priority remains the reduction of the national structural deficit, and the changes being implemented to help deliver this, are having extensive implications for local authorities.
3. As part of the Government's wider set of reforms to the welfare system, from April 2013 local Councils will be implementing Council Tax support schemes designed by individual billing authorities. More significantly from a financial perspective, local authorities will be allowed to retain a much greater proportion of locally generated business rates (the so-called "repatriation" of national non-domestic rates, NNDR). In addition to this, there is the transfer of responsibility for public health from the Health Service to upper tier authorities.

4. The Council is now in the third year of its own transformation programme, brought about by the combination of significant government funding reductions announced in the Comprehensive Spending Review in October 2010, and the need to invest in priority areas. Over £70 million of savings were delivered in 2011/12 and the Council is on track to deliver a further £36 million in 2012/13, with another £26 million savings identified for delivery across 2013/14 and 2014/15.
5. The County Council has accepted the one-off grant from the government to again freeze the Council Tax for 2013/14. This equates to a 1% increase (£3.1million). It should be noted that the government has also offered a further 1% Council Tax freeze grant for 2014/15. As a result of this, earlier this month Policy Committee received a report recommending that the level of Council Tax for 2013/14 be held at the current level and this recommendation is incorporated within this report. This therefore means that the County Council is able to deliver a balanced budget for 2013/14 without an increase in Council Tax for the fourth consecutive year.
6. The County Council has also developed proposals to deliver a balanced capital programme in the medium term, and is proposing a prudent use of its reserves (both County Fund and earmarked) to reduce the need to borrow.
7. The County Council's Medium Term Financial Strategy has been refreshed to account for a number of changes, including adjustments to the taxbase, levels of grant funding, changes to the pressures and deliverability of savings identified through the base budget review, and measures to respond to feedback from the public during the budget consultation exercise.
8. Looking beyond 2013/14, the budget report presented to Policy Committee on 13th February showed that there is an increasing shortfall in resources, which will need to be addressed over the medium term.

Medium Term Financial Strategy (MTFS)

9. At its meeting in February 2012, the County Council agreed the Medium Term Financial Strategy and Capital Programme for 2012/13 to 2015/16. Whilst the underlying principles of the MTFS remain relatively constant, there is an on-going need to refresh and update it, in order to ensure that it reflects the prevailing economic and financial conditions. In addition to this, a base budget review has taken place over recent months, to ensure that the position presented to County Council, is as robust as possible, and based upon the best available information and analysis.
10. It is important to stress that, given the governments continued austerity measures, together with the pressures associated with growing demands for social care, the financial challenge facing the County Council will remain for the foreseeable future. The publishing of a two year local government settlement, and the suggestion that detailed spending plans for 2015/16 will be published in the first half of 2013, should give some degree of certainty to aid financial planning. The actual scale of change needed to deliver a balanced budget is of a similar scale to the Council's three year Programme back in 2011. However, a significant element of this programme was efficiencies and savings that had minimal impact on front line services. The ability to deliver a similar level of efficiency savings over the next four years will be extremely challenging.

11. The Service Director Finance and Procurement gave an update to the January Finance and Property Committee, on the impact of the local government finance settlement and further detail was provided in the February Policy Committee Report. The following table summarises the County Council's overall Medium Term Financial Strategy for the four years to 2016/17. It shows that whilst the Council can deliver a balanced budget in 2013/14, based on current assumptions significant savings will need to be identified in each of the following three years to 2016/17.

Table 1 – Medium Term Financial Strategy 2013/14 – 2016/17

	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	-

Budget Consultation

12. 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. Details of the Council's budget consultation are shown at Appendix A.

Annual Budget 2013/14

13. The November report to Finance and Property Committee outlined the initial budget proposals for consultation and provided a reminder of the pressures and savings proposals that were approved in previous budgets.
14. The February report to Policy Committee gave a further update of the MTFs, and contained details of additional proposals to be incorporated into the 2013/14 budget, following the budget consultation exercise.
15. This report is the summation of the previous two reports and brings together the effect of both spending pressures and savings proposals at a Council wide level. The County Council's total revenue budget for 2013/14 is £512.138m. A summary is shown in Table 2 with a more detailed breakdown shown in Appendix B.

Table 2 - Proposed County Council Budget 2013/14

Committee Analysis	Net Budget 2012/13 £'m	Pressures £'m	Savings £'m	Pay Inflation £'m	Budget Changes £'m	Net Budget 2013/14 £'m
Children & Young People	165.657	13.273	(1.714)	0.693	(6.462)	171.447
Adult Social Care & Health	204.117	17.900	(5.869)	0.528	0.147	216.823
Transport & Highways	59.389	3.442	(1.104)	0.094	1.546	63.367
Environment & Sustainability	25.966	-	-	0.016	3.045	29.027
Community Safety	4.279	-	(0.099)	0.037	0.014	4.231
Culture	13.014	0.663	(0.331)	0.117	0.927	14.390
Economic Development	0.843	-	-	0.005	0.297	1.145
Policy	23.618	0.537	(0.128)	0.125	(0.720)	23.432
Finance & Property	24.966	-	(1.274)	0.197	5.628	29.517
Personnel	3.779	-	(0.010)	0.041	(1.425)	2.385
Public Health	-	-	-	-	35.103	35.103
Net Committee Requirement	525.628	35.815	(10.529)	1.853	38.100	590.867
Corporate Budgets	(41.469)	-	-	-	(12.251)	(53.720)
Use of Reserves	7.326	-	-	-	(32.335)	(25.009)
BUDGET REQUIREMENT	491.485	35.815	(10.529)	1.853	(6.486)	512.138

16. The table above shows the changes between the Original Budget for 2012/13 and the proposed budget for 2013/14 including budget pressures, savings, pay inflation and other budget changes including:

- The transfer of Public Health service provision from the NHS to the County Council, for which funding is included in Corporate Items, Revenue Grants (Table 3 below)
- Additional NHS Funding to ASCH of £3 million
- The transfer of £11.4 million for the Learning Disability & Health Reform grant from a ring-fenced grant within ASCH to mainstream Corporate funding
- The reduction of £3.8m in reserves funding for the Improvement Programme from 2012/13 to 2013/14 within Policy Committee, in line with the project profile
- The transfer of permanent use of contingency approved in 2012/13.
- Additional budgets for 2013/14 to Highways and Children and Young People following the budget consultation
- Transfers between committees

17. Members will be aware that Policy Committee (17 October 2012) approved £1 million of grant funding to support the network of community sports clubs across Nottinghamshire. Following the success of the London 2012 Olympic and Paralympic Games, the funding will enable clubs to meet the increased demand experienced, and assist more people in Nottinghamshire to get involved in sport. There has been a high response for funding and as a result the County Council is proposing a further allocation of £700,000 to extend the Olympic and Paralympic legacy.

Corporate Budgets

18. There are a number of centrally held budgets that do not report into a specific Committee. They are shown below (with the budget analysis shown in the following table):

- **Flood Defences Levy:** The Environment Agency raise a number of charges and levies to fund flood defence works. This particular levy is charged by the local Flood Defence Committees to fund local priorities
- **Trading Services Pensions Costs:** This sum is required to cover the difference between the basic employer's contributions used in the trading accounts and the amounts actually charged, as required by the actuarial valuation.
- **Contingency:** A contingency is provided to cover certain redundancy costs, delays in efficiency savings, changes in legislation and other eventualities. Finance & Property Committee approval is required for the release of contingency funds.
- **Capital Charges:** Capital charges represent the notional costs of utilising the Council's fixed assets, similar in a way to depreciation in a private sector organisations accounts. However, statute requires that this amount is not a cost to the council tax payer, and instead the actual cost that impacts on the Council's revenue budget are the costs of borrowing, represented by Interest and the Minimum Revenue Provision (MRP).

Table 3 - Proposed Budget 2013/14
Corporate Budgets and Reserves

	Net Budget 2012/13 £'m	Budget Changes £'m	Net Budget 2013/14 £'m
Horizontal Savings	(2.190)	2.190	-
Flood Defence	0.291	(0.018)	0.273
Trading Organisations	0.801	-	0.801
Pension Enhancements (centralised)	-	1.842	1.842
Contingency	17.823	(12.783)	5.040
Capital Charges	(45.882)	0.134	(45.748)
Interest etc	19.528	(1.609)	17.919
MRP	17.399	1.309	18.708
Revenue Grants	(49.239)	(3.316)	(52.555)
Corporate Budgets	(41.469)	(12.251)	(53.720)

	Net Budget 2012/13 £'m	Budget Changes £'m	Net Budget 2013/14 £'m
Transfer to/from Earmarked Reserves	2.396	(12.268)	(9.872)
Transfer to/from General Fund	4.930	(20.067)	(15.137)
Use Of Reserves	7.326	(32.335)	(25.009)

Council Tax Levels 2013/14

- Each District Council has to construct a Council Tax base by assessing the number of "Band D equivalent" properties in its area, and then building in an allowance for possible non-collection. This task has been complicated this year due to the change of localising council tax support, as those households qualifying for discount are no longer included in the Districts tax base. Instead the grant is to be paid directly to the County Council as part of its total funding.

20. The notifications from the seven District Councils are a Tax base of 229,071.29. This is slightly higher than the equivalent figure from the seven Districts for 2012/13 (adjusted for the localising of council tax support schemes), representing growth of 0.53%. The increase in Tax base has been taken into account in the calculation of budget.

Council Tax Surplus/Deficit

21. Each year an adjustment is made by the District Councils to reflect the actual collection rate of Council Tax in the previous year. This can sometimes result in a surplus, payable to the County Council; or a deficit which is offset against future year's Council tax receipts. The figures received from the Districts show a surplus on the Collection Fund of £685,755, which has been factored into the overall council tax requirement calculation, and is shown in the table below.

Table 4 – Council Tax Requirement Calculation

<u>2013/14</u>	Amount £'m	% Funding
Initial Budget Requirement	512.138	100.0
Less Formula Grant	(238.129)	46.5
Net Budget requirement	274.009	
Less Estimated Collection Fund Surplus	(0.686)	0.1
Council Tax Requirement	273.323	53.4

22. The Council Tax requirement is then divided by the taxbase to arrive at the Band D figure. This figure then forms the basis of the calculation of the liability for all Council Tax bands. Full details of the County Council's Tax Rates are shown below.

Table 5 - Recommended Levels of Council Tax (County Council Element) 2013/14

Band	Value as at 1.4.91	No. of Properties	% no. of properties	Ratio	County Council 2012/13 £	County Council 2013/14 £	Change £
A	Up to £40,000	140,560	40.0	6/9	795.45	795.45	-
B	£40,001- £52,000	72,320	20.6	7/9	928.03	928.03	-
C	£52,001- £68,000	60,210	17.1	8/9	1,060.60	1,060.60	-
D	£68,001- £88,000	39,720	11.3	1	1,193.18	1,193.18	-
E	£88,001- £120,000	21,830	6.2	11/9	1,458.33	1,458.33	-
F	£120,001- £160,000	10,470	3.0	13/9	1,723.48	1,723.48	-
G	£160,001 - £320,000	5,890	1.7	15/9	1,988.63	1,988.63	-
H	Over £320,000	450	0.1	18/9	2,386.36	2,386.36	-

23. The County Council's proposed Council Tax for 2013/14 is the same as for 2012/13 in line with the administration's proposal to freeze the Council Tax. This is the fourth year of Council Tax freeze. The actual amounts payable by householders will also depend on:-
- The District's own Council Tax
 - The Police Authority and the Combined Fire Authority Council Tax
 - Any Parish precepts or special levies

- The eligibility for discounts and rebates

County Precept

24. District and Borough Councils collect the Council Tax for the County Council, which is recovered from the Districts by setting a County Precept. The total Precept is split according to the Council Taxbase for each District as set out in the table below.

Table 6 – Amount of County Precept By District - 2013/14

District Council	Council Taxbase	County Precept £
Ashfield	29,870.30	35,640,645
Bassetlaw	31,409.55	37,477,247
Broxtowe	31,907.95	38,071,928
Gedling	34,396.13	41,040,774
Mansfield	26,524.26	31,648,217
Newark & Sherwood	36,015.10	42,972,497
Rushcliffe	38,948.00	46,471,975
Total	229,071.29	273,323,283

25. Discussions have been held with District Councils and the following dates have been agreed for the collection of the precept:

Table 7 – Proposed County Precept Dates - 2013/14

2013	2013	2014
19 April	11 September	3 February
29 May	16 October	10 March
1 July	20 November	
5 August	23 December	

26. The dates shown are those by which the County Council's bank account must receive the credit, otherwise interest is charged. Adjustments for net variations in amounts being collected in 2012/13 will be paid or refunded on the same dates.

Capital Programme and Financing

27. 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.
28. 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.
29. 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 30 to 51. 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

30. 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. 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

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

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

32. 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.
33. 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. It is proposed that an £870k allocation funded from contingency is incorporated into the Capital Programme.
34. 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. 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

35. 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. 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.
36. 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

37. 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. 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.

38. 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. 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

39. 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 from 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. A variation to the capital programme is therefore required to reduce the financing of this project down by £339k to reflect external funding applied in prior years.
40. 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. 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.
41. Rail Improvements – It is proposed to vary the capital programme to include £300k per annum from 2013/14 to 2015/16, funded from capital borrowing, to carry out essential improvements to railways across the County.
42. Green Network – Investment is required to join up existing off-road cycle routes and bridleways across the county. This investment will integrate existing provision to provide significant leisure and recreational routes for cyclists, walkers and horse riders. It is proposed to include up to £500k from the 2013/14 capital contingency, to fund these works.

Environment and Sustainability

43. Waste Management – The capital programme already includes indicative budget of £500k per annum, funded from revenue, to fund Waste Management costs from 2013/14 onwards. It is proposed to remove the £500k revenue contribution from the capital programme and replace this with funding of £500k per annum, funded from capital borrowing.

Culture

44. 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. 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.
45. National Water Sports Centre – In January 2013, Policy Committee approved the award of a bidder to become the operating partner for the National Water Sports Centre, subject to successful clarification and fine tuning of legal agreements. As part of the procurement 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. It is proposed that the £0.125 million funding shortfall is met from contingency and included in the Capital Programme.
46. Tourism & Economic Development Initiatives – A number of initiatives in the capital programme will support growth in tourism and economic activity. The County Council is keen to provide further resources to support other similar initiatives. One possibility is the development of a civil war museum in Newark, in conjunction with the District Council. It is proposed that funding of £1 million, funded from reserves, is added to the Capital Programme to provide support for these initiatives.

Finance and Property

47. 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. 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.
48. 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. 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.
49. 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. 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

50. 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.
51. 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:-

2013/14	£0.8 million
2014/15	£8.5 million
2015/16+	£5.0 million per annum

Revised Capital Programme

52. 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 C.

Table 8 – 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*	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	43.324	37.707	35.865	26.256	181.754
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	6.930	1.204	0.450	1.322	15.053
Policy	8.902	5.075	-	-	-	13.977
Finance & Property	14.880	11.180	4.450	3.650	3.650	37.810
Personnel	0.088	0.070	0.070	0.070	0.070	0.368
Contingency	3.200	0.829	8.500	5.000	5.000	22.529
Capital Expenditure	120.265	132.956	82.055	54.735	45.298	435.309
Financed By:						
Borrowing	67.298	72.444	36.706	26.100	21.672	224.220
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	132.956	82.055	54.735	45.298	435.309

* These figures exclude Devolved Formula Capital allocations to schools.

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

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

Capital Receipts

54. 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 9 – 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	6.0	15.0	15.7	8.3	48.6

55. 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 (Appendix E) 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.
56. One of the requirements of the Local Government Act 2003 is that the Council must set an "Authorised Limit" for its external borrowings. Any potential breach of this limit would require authorisation from the Council. There are a number of other prudential indicators that are required by The Prudential Code to ensure that the proposed levels of borrowing are affordable, prudent and sustainable. The values of the Prudential Indicators are proposed in Appendix F.
57. In accordance with the "CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes", it is proposed that the Council approves a Treasury Management Strategy and Policy for 2013/14. The Strategy is in Appendix G and the Policy is in Appendix H.
58. It is proposed that the Service Director – Finance and Procurement be allowed to raise loans within the Authorised limit for external borrowing, subject to the limits in the Treasury Management Strategy for 2013/14.

Equality Impact Assessments

59. Public authorities are required by law to have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation
 - advance equality of opportunity between people who share protected characteristics and those who do not
 - foster good relations between people who share protected characteristics and those who do not.
60. Decision makers must understand the effect of policies and practices on people with protected characteristics. Equality impact assessments are the mechanism by which the authority considers these effects.
61. Equality implications have been considered during the development of the budget proposals and equality impact assessments were undertaken on each proposal approved as part of the 2012/13 MTFS. In addition the Human Resources (HR) policies that will be applied to any staffing reductions have been the subject of equality impact assessments undertaken by HR staff. This includes assessments which are available as background papers on the following relevant HR policies:
- Enabling process
 - Redundancy process
 - Redundancy selection criteria
 - Selection and recruitment process
 - Re-deployment process
62. It is essential that Members give due regard to the implications for protected groups in the context of their equality duty in relation to this decision

Statutory and Policy Implications

63. 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.

Recommendations

Paragraph
Ref

It is recommended that:

1. The Annual Revenue Budget for Nottinghamshire County Council is set at £512.138 million for 2013/14. 15
2. The Finance & Property Committee be authorised to make allocations from the General Contingency for 2013/14. 18
3. That the County Council element of the Council Tax is set at a standard Band D tax rate of £1,193.18 and for the various Bands of property shall be: 22

Band	Value as at 1.4.91	No. of Properties	% no. of properties	Ratio	County Council 2012/13 £	County Council 2013/14 £	Change £
A	Up to £40,000	140,560	40.0	6/9	795.45	795.45	-
B	£40,001- £52,000	72,320	20.6	7/9	928.03	928.03	-
C	£52,001- £68,000	60,210	17.1	8/9	1,060.60	1,060.60	-
D	£68,001- £88,000	39,720	11.3	1	1,193.18	1,193.18	-
E	£88,001- £120,000	21,830	6.2	11/9	1,458.33	1,458.33	-
F	£120,001- £160,000	10,470	3.0	13/9	1,723.48	1,723.48	-
G	£160,001 - £320,000	5,890	1.7	15/9	1,988.63	1,988.63	-
H	Over £320,000	450	0.1	18/9	2,386.36	2,386.36	-

4. The County Precept for the year ending 31 March 2014 shall be £273,323,283 and shall be applicable to the whole of the District Council areas as General Expenses. 24
5. The County Precept for 2013/14 shall be collected from the District and Borough Councils in the proportions set out in paragraph 32 with the payment of equal instalments on the following dates: 25

2013	2013	2014
19 April 29 May 1 July 5 August	11 September 16 October 20 November 23 December	3 February 10 March

Table 7

6. Subject to the final outturn for 2013/14, up to £5m of underspend be transferred to the Capital Projects Reserve to support the future capital programme. Appendix C
7. The Capital Programme for 2012/13 to 2016/17 be approved at total amounts of: Table 8
 - £132.956m 2013/14
 - £ 82.055m 2014/15
 - £ 54.735m 2015/16
 - £ 45.298m 2016/17

and be financed as set out in the report.

8. The variations to the Capital Programme be approved.	30-51
9. The Minimum Revenue Provision policy for 2013/14 be approved.	Appendix E
10. The Prudential Indicators be approved.	Appendix F
11. The Service Director – Finance & Procurement be authorised to raise loans in 2012/13 within the limits of total external borrowings.	58
12. The Treasury Management Strategy for 2013/14 be approved.	Appendix G
13. The Treasury Management Policy for 2013/14 be approved.	Appendix H
14. The report on the Annual Budget for 2013/14, and the Capital Programme 2013/14 – 2016/17 be approved and adopted.	
15. The principles underlying the Medium Term financial Strategy be approved.	Table 1

**CLLR KAY CUTTS
LEADER OF THE COUNCIL**

**CLLR REG ADAIR
CHAIRMAN OF FINANCE AND PROPERTY COMMITTEE**

Background Papers Available for Inspection

- Budget Report – Finance & Property Committee – 12th November 2012
- Budget Report – Policy Committee – 13th February 2013
- Human Resource policies as listed at paragraph 61 above.

All EqlAs are published on the Council's website at:

<http://www.nottinghamshire.gov.uk/thecouncil/democracy/equalities/eqla/>

Constitutional Comments (KK 18/02/2013)

64. The proposals within this report are within the remit of Full Council.

Financial Comments of the Service Director, Finance & Procurement (PDS 11/02/2013)

65. The budget proposed has been prepared taking into account the major strategic objectives of the Council as set out in the Strategic Plan 2010 to 2014 and reflects all significant cost variations that can be anticipated.
66. The budget has been prepared in conjunction with Corporate Directors and other senior officers, and through significant member engagement via Policy Committee and Finance & Property Committee. There has been robust examination and challenge of all the additional spending pressures and savings proposals.
67. Strict budgetary control will be maintained throughout the 2013/14 financial year, and the Base Budget Review will provide a platform on which improved financial management and budgetary control can be established. As in previous years, Departments will be required to utilise any departmental underspends to offset unexpected cost increases that exceed the resources that have been provided to meet known cost pressures and inflation. To the extent that that this may be insufficient or that other unexpected events arise, the Council could potentially call on its County Fund Balances.
68. The levels of Reserves and Balances have been reviewed and are considered to be adequate. The Council is planning to apply a prudent level of County Fund balances and Earmarked reserves to support its capital programme. In accordance with guidance from the Department for Communities and Local Government, the Council is also looking to release some of its general reserves in order to deliver a balanced budget in 2013/14.
69. A comprehensive risk analysis is included at Appendix D to this report. A Contingency has been provided in recognition of the risk of underachievement of some of the savings proposals. The risks and assumptions have been communicated to, and understood by, elected Members and Corporate Directors.
70. The budget is, in my opinion, robust and meets the requirements of the Local Government Finance Act 1992, the Local Government Act 2003 and the CIPFA Prudential Code. The proposals for 2013/14 fulfil the requirement to set a balanced budget.

Budget Consultation

1. 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?*

2. 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.

3. 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, and 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.
4. 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.
5. 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.

6. 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.
7. 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 A1 - 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

8. 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'.

APPENDIX A

- 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'.
9. 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.

Revenue Budget Summary 2013/14

	2012/13 Original Budget £'000	2013/14 Annual Budget £'000
Committee		
Children and Young People	165,657	171,447
Adult Social Care and Health	204,117	216,823
Transport and Highways	59,389	63,367
Environment and Sustainability	25,966	29,027
Community Safety	4,279	4,231
Culture	13,014	14,390
Economic Development	843	1,145
Policy	23,618	23,432
Finance and Property	24,966	29,517
Personnel	3,779	2,385
Public Health		35,103
Net Committee Requirements	525,628	590,867
Items Outside Committee:		
Horizontal Savings Projects	(2,190)	
Flood Defence Levies	291	273
Trading Organisations	801	801
Pension enhancements (centralised)		1,842
Contingencies:		
Redundancies	10,000	3,000
General Contingency	7,823	2,040
Capital Charges (included in Committees above)	(45,882)	(45,748)
Interest	19,528	17,919
Minimum Loan Repayments	17,399	18,708
Early Intervention Grant	(31,062)	
Local Services Support Grant	(1,719)	
Council Tax Freeze Grant	(15,400)	(3,107)
New Homes Bonus Grant	(1,058)	(2,438)
Public Health Transfer		(35,103)
Education Services Grant		(10,907)
Adoption Funding		(1,000)
Total before use of Reserves	484,159	537,147
Use of Reserves:		
Net Transfer (From)/To Other Earmarked Reserves	2,396	(9,872)
Transfer (From)/To Balances	4,930	(15,137)
BUDGET REQUIREMENT	491,485	512,138
FUNDING OF BUDGET REQUIREMENT:		
Surplus on Council Tax collection for previous years	971	686
National Non-Domestic Rates	178,072	95,132
Revenue Support Grant	3,601	142,997
Council Tax	308,841	273,323
TOTAL FUNDING	491,485	512,138

Children and Young People Committee Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		165,657
2 Budgets Transferred between Committees		24
3 Additional allocations/reductions 2012/13		(1,424)
4 Capital Financing Budget Transfers		(5,062)
5 2013/14 Service Changes:		
Budget Pressures		
Children's Social Care	11,179	
Priority School Building Programme	200	
Bassetlaw PFI	(257)	
School Transport	300	
MASH	551	
SEN Transport	800	
	<hr/>	12,773
Budget Consultation - Youth Employment Strategy		500
Pay Award		693
Budget Savings		
Young People's Service	(441)	
Targeted Support & Youth Justice Service	(30)	
Cultural & Enrichment Services	(166)	
Early Years & Early Intervention Service	(2,000)	
Executive Support	1,227	
Support to Schools Service	(45)	
SEND Policy & Provision	(62)	
Home to School Transport	(197)	
	<hr/>	(1,714)
6 Annual Budget 2013/14		<hr/> 171,447 <hr/>

Children & Young People Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Original Budget 2013/14 £'000
454,291 (454,291)	SCHOOLS BUDGET							
	Schools Block - Distributed				288,925	(37,184)		251,741
	High Needs Block - Distributed				17,775			17,775
	Early Years Block - Distributed				12,852			12,852
	Schools Budget - Centrally Retained				59,926			59,926
	TOTAL SCHOOLS BUDGET				379,478	(37,184)		342,294
	Dedicated Schools Grant (DSG)						(342,294)	(342,294)
	School Assets			21,930	21,930			21,930
	SUMMARY							
	Children's Social Care							
	Divisional Overheads	698	2,480		3,178			3,178
	Safeguarding & Independent Review	1,524	238		1,762	(159)	(1)	1,602
	Access to Resources	10,164	36,835	79	47,078	(4,917)	(2)	42,159
	Social Work Services Assessment	5,873	1,084		6,957		(257)	6,700
	Social Work Services Throughcare	4,788	9,686		14,474	(36)		14,438
	Children's Disability Service	9,180	4,865		14,045	(393)	(15)	13,637
	Total Children's Social Care	32,227	55,188	79	87,494	(5,505)	(275)	81,714
	Education Standards & Inclusion							
	Support to Schools Service	8,520	1,596		10,116	(3)	(1,052)	9,061
	Business Development & Support (inc Home to Sch Trans)	8,023	7,247		15,270	(220)	(1,583)	13,467
	SEND Policy & Provision	1,220	7,608		8,828	(296)	(1,762)	6,770
	Total Education Standards & Inclusion	17,763	16,451		34,214	(519)	(4,397)	29,298
	Capital Projects Team		6,139		6,139	(174)		5,965

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Original Budget 2013/14 £'000
	Youth, Families & Culture							
	Young People's Service	4,409	1,867		6,276	(1,173)	(38)	5,065
	Targeted Support & Youth Justice Service	3,811	4,581		8,392	(2,025)		6,367
	Cultural & Enrichment Services	4,182	1,923		6,105	(933)	(3,333)	1,839
	Early Years & Early Intervention Service	2,578	14,202		16,780			16,780
	Executive Support	1,380	636		2,016	(160)	(78)	1,778
	Total Youth Families & Culture	16,360	23,209		39,569	(4,291)	(3,449)	31,829
	Capital Charges			711	711			711
165,657	TOTAL CHILDREN & YOUNG PEOPLE COMMITTEE	66,350	100,987	22,720	190,057	(10,489)	(8,121)	171,447

Children & Young People Services Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
PRIMARY SCHOOLS							
n/a	n/a	Other Primary Projects	255	-	-	-	-
371	351	Bestwood Hawthorne Primary	20	-	-	-	-
967	600	Primary Amalgamation Programme	367	-	-	-	-
276	-	Brookside Primary	10	266	-	-	-
1,311	-	Chuter Ede Primary	1,311	-	-	-	-
3,251	3,155	Greasley Beauvale Infants and Junior	96	-	-	-	-
1,647	124	Section 106 Projects	741	782	-	-	-
1,221	992	Springbank (Eastwood Infants and Junior)	229	-	-	-	-
11,069	10,940	Primary Capital Programme	129	-	-	-	-
5,523	102	Beardall Street Primary	100	5,321	-	-	-
SECONDARY SCHOOLS							
1,447	1,261	Bramcote Hills Comprehensive	186	-	-	-	-
2,933	2,782	Secondary School Improvement Fund	151	-	-	-	-
SPECIAL SCHOOLS							
4,328	474	Special Schools Programme	3,854	-	-	-	-

Children & Young People Services Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
OTHER EDUCATION PROGRAMMES							
1,303	1,281	Rushcliffe Section 106 Contributions	22	-	-	-	-
993	712	School Kitchens	281	-	-	-	-
2,757	1,500	School Modernisation Programme	943	314	-	-	-
n/a	n/a	School Basic Need Programme Phase 2 †	2,600	14,099	8,900	2,500	2,000
10,997	10,976	Schools Condition Initiative	21	-	-	-	-
65,554	-	Schools Condition Initiative Phase 2	25,633	29,921	10,000	-	-
n/a	n/a	School Access Initiative	1,187	500	-	-	-
6,190	6,125	Children's Centre Programme Phase 3	10	55	-	-	-
YOUNG PEOPLE							
34	20	Other Youth Projects	14	-	-	-	-
772	732	Worksop Young People's Centre	40	-	-	-	-
856	764	Eastwood Young People's Centre	92	-	-	-	-
750	-	Eastbourne Centre	750	-	-	-	-
316	298	Young People's Centre F&E	18	-	-	-	-
870	-	Rushcliffe Children's Centre	-	870	-	-	-
5,225	5,220	Mansfield Young People's Centre	5	-	-	-	-
CHILDREN'S SOCIAL CARE							
355	-	Short Break Capital Grant	355	-	-	-	-
2,600	-	Edwinstowe Respite Centre	434	2,166	-	-	-
Gross Capital Programme			39,854	54,294	18,900	2,500	2,000

Children & Young People Services Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*	Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
				2014/15 £000	2015/16 £000	2016/17 £000
Funded from:						
	Approved County Council Allocations	19,545	34,968	1,400	-	-
	External Grants & Contributions	20,198	18,771	12,500	2,500	2,000
	Revenue	-	-	-	-	-
	Reserves	111	555	5,000	-	-
	Total Funding	39,854	54,294	18,900	2,500	2,000

NOTES:

* Figures for Total Project Cost and Actual to 31.03.12 are for information only in respect of schemes running over several financial years. They are not applicable to annual programmes.

† Indicative funding is incorporated in the Capital Programme for Phase 2 of the School Basic Need Programme and Phase 2 of the Schools Condition Initiative. In addition to the figures shown above, indicative funding of £2 million per annum from 2017/18 to 2019/20 is also incorporated.

In addition to the gross capital programme outlined above, there are Devolved Formula Capital allocations to schools of £2.1 million in 2012/13 with further allocations expected to be announced for future years.

Adult Social Care & Health Committee Variation Summary 2012/13 to 2013/14

	£000	£000
1 Original Budget 2012/13		204,117
2 Budgets Transferred between Committees		323
3 Additional allocations/reductions 2012/13		44
4 Capital Financing Budget Transfers		(220)
5 2013/14 Service Changes:		
Budget Pressures		
Demand led - Mental Health & Learning Disability	5,100	
Demand led - Older People Demographics	2,500	
Demand led - Physical Disability	1,300	
Commissioning Costs	9,000	
		17,900
Pay Award		528
Budget Savings		
Joint Commissioning & Business Change	(1,613)	
Promoting Independence & Public Protection	(275)	
Younger Adults	(3,727)	
Older Adults	(150)	
Sherwood Industries	(104)	
		(5,869)
6 Annual Budget 2013/14		216,823

Adult Social Care & Health Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	ASCH SUPPORT							
(576)	Corporate Director & Departmental Costs	152	560		712			712
(210)	Promoting Independence & Public Protection	108	3		111			111
4,667	Reablement	5,619	3,725		9,344	(195)		9,148
518	Customer Access	2,142	322		2,464	(83)	(1,646)	735
130	Joint Commissioning, Business Change and Quality	108	17		126			126
4,542	Business Change & Support	4,241	514	13	4,768	(91)	(373)	4,304
(34,287)	Operational Policy and Performance	4,324	2,871	226	7,422	(44,977)	(877)	(38,431)
316	Safeguarding Adults	392	173		565	(13)		552
14,052	Joint Commissioning	1,695	30,093		31,789	(5,707)	(4,352)	21,730
(10,848)	TOTAL ASCH SUPPORT	18,783	38,279	239	57,301	(51,065)	(7,248)	(1,012)
	PERSONAL CARE & SUPPORT YOUNGER ADULTS							
1,939	Personal Care and Support Younger Adults	123	937		1,060	(12,990)		(11,930)
8,149	Mental Health	3,506	6,146		9,652	(526)		9,126
30,352	Younger Adults Disability North	2,727	41,419		44,146	(4,230)	24	39,940
34,834	Younger Adults Disability South	3,137	33,056		36,194	(131)	(11)	36,052
15,633	Ashfield and Mansfield CLDT	756	19,831		20,587	(53)	9	20,542
5,127	LD Residential	3,504	368	53	3,926	(51)		3,875
12,024	Day Services	8,245	3,353	727	12,324	(575)	(4)	11,746
108,057	TOTAL PERSONAL CARE & SUPPORT YOUNGER ADULTS	21,998	105,110	780	127,888	(18,556)	19	109,350
	PERSONAL CARE & SUPPORT OLDER ADULTS							
4,983	Older People	108	14,717		14,825	(19,875)		(5,050)
29,031	Older People Ashfield & Mansfield	2,142	28,881		31,023	(201)		30,822
34,896	Older People Bassetlaw & Newark	9,455	32,037	143	41,636	(28)		41,608
23,925	Older People Broxtowe & Rushcliffe	2,364	24,438		26,802	(84)		26,718
14,074	Older People Gedling	1,211	13,255		14,465	(59)	(20)	14,387
106,908	TOTAL PERSONAL CARE & SUPPORT OLDER ADULTS	15,281	113,327	143	128,752	(20,248)	(20)	108,484
204,117	TOTAL ADULT SOCIAL CARE & HEALTH COMMITTEE	56,062	256,716	1,162	313,940	(89,869)	(7,249)	216,823

Adult Social Care and Health Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
OLDER PERSONS							
12,650	-	Aiming for Excellence (Mixed Care) *	-	6,000	6,650	-	-
6,000	-	Modernising Services for Older People †	-	-	-	3,000	3,000
LEARNING DISABILITY							
3,051	177	Day Services Modernisation #	2,780	94	-	-	-
1,879	334	Bassetlaw Specialist Day Centre	1,536	10	-	-	-
PHYSICAL DISABILITY							
835	748	Sheltered Employment	87	-	-	-	-
OTHER							
82	67	Social Care Transformation Capital Grant	15	-	-	-	-
Gross Capital Programme			4,418	6,104	6,650	3,000	3,000
Funded from:							
		Approved County Council Allocations	4,185	4,207	6,650	3,000	3,000
		External Grants & Contributions	15	1,891	-	-	-
		Revenue	45	-	-	-	-
		Reserves	173	6	-	-	-
Total Funding			4,418	6,104	6,650	3,000	3,000

NOTES:

* The budget for the Mixed Care (Aiming for Excellence) scheme is indicative. The scheme budget will be confirmed once the business case has been approved.

† A full business case is to be prepared for Modernising Services for Older People. The 10-Year Capital Programme incorporates £12.35 million for this scheme over five years from 2015/16. This is an indicative figure.

The figures shown here relate to capital expenditure only. A further £1.942 million is available for revenue works under this scheme, in addition to remaining contingency funding of £247,000.

Transport & Highways Committee

Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		59,389
2 Budgets Transferred between Committees		(249)
3 Additional allocations/reductions 2012/13		(208)
4 Capital Financing Budget Transfers		1,403
5 2013/14 Service Changes etc		
Budget Pressures		
Increased Highway Maintenance Inflation	500	
Concessionary Travel	525	
Increased Highway Income	(200)	
Local Bus & Schools Transport Inflation	476	
Manage & Operate Partnerships (2012/13 one-off)	(500)	
Highway Street Lighting Energy	641	
Reduction in Overhead Recovery	<u>1,000</u>	
		2,442
Budget Consultation - Highway Maintenance		1,000
Pay Award		94
Budget Savings		
Highway Service Redesign	(304)	
Fleet Consolidation	(100)	
Travel & Transport Services Staffing	<u>(100)</u>	
		(504)
6 Annual Budget 2013/14		63,367

Transport & Highways Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	SUMMARY							
19,127	Highways Maintenance		21,224		21,224			21,224
6,943	Highways Salaries	7,549	2,757		10,306	(403)	(3,207)	6,696
18,141	Travel & Transport Services	3,378	20,611	97	24,086	(569)	(4,708)	18,809
1,065	Traffic Management and Road Safety		1,189		1,189			1,189
85	Strategic & Environmental Services	504	8		512		(470)	42
1,121	Professional, Technical & Advisory		4,067		4,067		(2,873)	1,194
12,907	Capital Charges			14,213	14,213			14,213
59,389	TOTAL TRANSPORT & HIGHWAYS COMMITTEE	11,431	49,856	14,310	75,597	(972)	(11,258)	63,367

	HIGHWAYS MAINTENANCE							
2,664	Carriageway Patching		2,856		2,856			2,856
1,309	Footway Patching		1,559		1,559			1,559
485	Road Studs, Markings & Signs		265		265			265
1,430	Traffic Signals		1,599		1,599			1,599
5,895	Road Lighting		6,637		6,637			6,637
1,407	Drain Cleaning		1,407		1,407			1,407
459	Environmental Maintenance		431		431			431
1,291	Verges, Trees & Hedges		1,236		1,236			1,236
543	Repairs following accidents & vandalism		543		543			543
255	Bridges, culverts and boundaries		110		110			110
64	Technical Surveys		75		75			75
684	Other Highways Repairs		2,040		2,040			2,040
2,641	Gritting & Snow clearance		2,466		2,466			2,466
19,127	TOTAL HIGHWAYS MAINTENANCE		21,224		21,224			21,224

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	HIGHWAYS SALARIES							
120	Directorate	120			120			120
2,820	Highways Management	4,419	678		5,097		(2,921)	2,176
1,080	Policies & Programmes	1,874	702		2,576	(403)	(194)	1,979
2,139	Highways Safety	1,136	1,093		2,229		(92)	2,137
284	Admin Related Costs		284		284			284
500	Manage and Operate (MOPs)							
6,943	TOTAL HIGHWAYS SALARIES	7,549	2,757		10,306	(403)	(3,207)	6,696
	TRAVEL & TRANSPORT SERVICES							
10,500	Concessionary Fares		10,806		10,806			10,806
5,390	Local / TTS Bus Services	74	6,331		6,405		(307)	6,098
1,495	NTS Salary Related Costs	1,530	33		1,563		(178)	1,385
217	Premises Running Costs		77		77			77
299	Bus Stations, Maint & P.I.F.	320	994		1,314	(569)	(299)	446
193	I T Maintenance Contracts		250		250			250
535	Service Development		135	97	232			232
-	Fleet Management	1,454	1,985		3,439		(3,439)	
(263)	Recharges to Capital						(160)	(160)
(225)	Grey Fleet Recharges						(325)	(325)
18,141	TOTAL TRAVEL & TRANSPORT SERVICES	3,378	20,611	97	24,086	(569)	(4,708)	18,809
	TRAFFIC MANAGEMENT & ROAD SAFETY							
110	Traffic Control Centre		190		190			190
456	Traffic & Parking Schemes/Surveys		530		530			530
194	Road Safety Education		204		204			204
305	School Crossing Patrols		265		265			265
1,065	TOTAL TRAFFIC MANAGEMENT & ROAD SAFETY		1,189		1,189			1,189

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	STRATEGIC & ENVIRONMENTAL SERVICES							
135	Directorate	115	6		121			121
(50)	Business Change & Operations Support	389	2		391		(470)	(79)
85	TOTAL STRATEGIC & ENVIRONMENTAL SERVICES	504	8		512		(470)	42
	PROFESSIONAL, TECHNICAL & ADVISORY							
2,963	Internal Services (County Council)		1,976		1,976			1,976
1,708	Admin & Insurance Costs		2,091		2,091			2,091
(3,550)	Internal Recharges						(2,873)	(2,873)
1,121	TOTAL PROFESSIONAL, TECHNICAL, ADVISORY		4,067		4,067		(2,873)	1,194
12,907	Capital charges			14,213	14,213			14,213

Transport & Highways Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
MAJOR SCHEMES							
20,000	-	A453 Improvement #	-	10,000	5,000	5,000	-
15,579	14,854	A612 Gedling Transport Improvement	425	300	-	-	-
37,013	36,763	Mansfield & Ashfield Relief Road	250	-	-	-	-
9,955	2,941	Mansfield Public Transport Interchange	5,784	1,230	-	-	-
n/a	n/a	Worksop Bus Station	500	1,000	1,500	-	-
10,398	866	Hucknall TCI	138	405	3,580	4,859	550
n/a	n/a	Advance Design Fees	-	112	-	-	-
n/a	n/a	Residual Land Compensation Claims	211	356	-	-	-
n/a	n/a	Other Major Schemes	66	-	-	-	-
HIGHWAYS & ROADS							
n/a	n/a	Roads Maintenance & Renewals ‡	13,013	15,075	14,119	13,000	13,000
1,282	21	Terminate Manage & Operate Partnerships	1,261	-	-	-	-
n/a	n/a	Street Lighting Renewal ‡	2,051	2,387	1,502	1,000	1,000
n/a	n/a	Flood Alleviation & Drainage ‡	505	600	600	600	600
n/a	n/a	Road Safety ‡	713	350	350	350	350
12,172	12,026	Highways Depots Rationalisation	146	-	-	-	-
n/a	n/a	Highways Trading - Vehicles & Plant	450	450	450	450	450
500	-	Green Network	-	500	-	-	-
526	27	Gamston Depot Salt Barn	499	-	-	-	-
INTEGRATED TRANSPORT MEASURES (ITM)							
n/a	n/a	Local Transport Plan ▲	8,051	6,950	7,406	7,406	7,406
LAND RECLAMATION							
n/a	n/a	Land Reclamation	313	336	-	-	-

Transport & Highways Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year	Indicative Figures		
				2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000
MISCELLANEOUS SCHEMES							
n/a	n/a	Civil Parking Enforcement	39	73	-	-	-
n/a	n/a	Rights Of Way	3	-	-	-	-
n/a	n/a	Vehicle Purchase - Gritters	513	150	150	150	150
900	-	Rail Improvements ‡	-	300	300	300	-
n/a	n/a	Transport & Travel Services ‡	2,352	750	750	750	750
n/a	n/a	Transport & Highways External Funding Δ	1,319	2,000	2,000	2,000	2,000
Gross Capital Programme			38,602	43,324	37,707	35,865	26,256
Funded from:							
Approved County Council Allocations			12,755	9,930	11,002	10,500	5,200
External Grants & Contributions			25,103	21,794	24,605	24,765	20,456
Revenue			-	-	-	-	-
Reserves			744	11,600	2,100	600	600
Total Funding			38,602	43,324	37,707	35,865	26,256

NOTES:

* Figures for Total Project Cost and Actual to 31.03.12 are for information only in respect of schemes running over several financial years. They are not applicable to annual programmes.

Funding is indicatively phased over the years 2013/14 to 2015/16. The actual phasing of this funding is still to be confirmed. It is assumed that this investment will be part funded from County Council reserves, although this is subject to review.

‡ These schemes have rolling budgets with annual allocations incorporated into the Capital Programme, at the 2015/16 level, until 2019/20.

▲ Integrated Transport Measures also has a rolling budget of £7.4 million per annum from 2017/18 to 2019/20.

Δ Transport & Highways External Funding is provision for anticipated external contributions (excluding Growth Point) to capital schemes and will be transferred to other budget blocks as the year progresses.

Environment & Sustainability Committee Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		25,966
2 Budgets Transferred between Committees		(35)
3 Additional allocations/reductions 2012/13		2,221
4 Capital Financing Budget Transfers		859
5 2013/14 Service Changes:		.
Pay Award		16
6 Annual Budget 2013/14		29,027

Environment & Sustainability Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	WASTE MANAGEMENT / ENERGY							
3,940	PFI Contract - WRC Delivery to Landfill		3,348		3,348			3,348
9,266	PFI Contract - Landfill Tax		11,840		11,840			11,840
4,340	MRF / HWRC Availability Payments		4,509		4,509			4,509
3,304	Other PFI Costs / PFI Credits		6,269		6,269	(2,998)		3,271
(1,617)	Strategy & Performance		69		69		(1,525)	(1,456)
800	Re-Cycling Credits		747		747			747
1,110	Waste & Energy Salary Related Costs	581	123	1,299	2,003			2,003
2,788	Eastcroft Incinerator / Gate Fee		3,198		3,198			3,198
350	Maintenance of Old Landfill Sites		350		350			350
450	HWRC Rents and Rates		427		427			427
414	Carbon Reduction Commitment		255		255			255
38	Energy Section		42		42		(106)	(64)
25,183	TOTAL WASTE MANAGEMENT / ENERGY	581	31,177	1,299	33,057	(2,998)	(1,631)	28,428
	PLANNING							
439	Planning Policy	340	73		413			413
344	Development Management	468	104		572		(386)	186
783	TOTAL PLANNING	808	177		985		(386)	599
25,966	TOTAL ENVIRONMENT & SUSTAINABILITY COMMITTEE	1,389	31,354	1,299	34,042	(2,998)	(2,017)	29,027

Environment & Sustainability Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
		LOCAL IMPROVEMENT SCHEMES (LIS)					
n/a	n/a	Local Improvement Schemes #	3,590	3,094	3,000	3,000	3,000
n/a	n/a	Environ & Sustainability External Funding †	200	200	200	200	-
		OTHER					
n/a	n/a	Carbon Management (LAEF) ‡	576	300	374	-	-
		WASTE MANAGEMENT					
n/a	n/a	Waste Management	805	1,259	1,000	1,000	1,000
		Gross Capital Programme	5,171	4,853	4,574	4,200	4,000
		Funded from:					
		Approved County Council Allocations	4,090	3,853	3,500	3,500	3,500
		External Grants & Contributions	776	500	574	200	-
		Revenue	305	500	500	500	500
		Reserves	-	-	-	-	-
		Total Funding	5,171	4,853	4,574	4,200	4,000

NOTES:

* Figures for Total Project Cost and Actual to 31.03.12 are for information only in respect of schemes running over several financial years. They are not applicable to annual programmes.

A rolling budget of £3 million per annum for Local Improvement Schemes is included in the Capital Programme until 2019/20.

† Environment & Sustainability External Funding is provision for anticipated external contributions to capital schemes and will be transferred to other budget blocks as the year progresses.

‡ Under the Carbon Management scheme, expenditure is refunded to the scheme from savings resulting from energy efficiencies. Such recycled contributions are used for further schemes and the budget incorporates the anticipated resulting expenditure.

Community Safety Committee **Variation Summary 2012/13 to 2013/14**

	£'000	£'000
1 Original Budget 2012/13		4,279
2 Budgets Transferred between Committees		72
3 Additional allocations/reductions 2012/13		(58)
4 Capital Financing Budget Transfers		
5 2013/14 Service Changes:		
Pay Award		37
Budget Savings		
Registration Service	<u>(99)</u>	(99)
6 Annual Budget 2013/14		4,231

Community Safety Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	COMMUNITY PROTECTION							
1,720	Trading Standards	1,697	465		2,162	(651)		1,511
	EMERGENCY MANAGEMENT & REGISTRATION							
67	Registration of Births, Deaths & Marriages	1,063	214	2	1,279	(1,093)		186
269	Emergency Planning	272	51		323	(64)		259
647	Coroners		666		666			666
983	TOTAL EMERGENCY MANAGEMENT & REGISTRATION	3,032	1,396	2	4,430	(1,808)		2,622
	COMMUNITY SAFETY AND PARTNERSHIPS							
	Safer Communities							
200	Safer Notts Board Commissioning		200		200			200
200	Domestic Violence		200		200			200
191	Community Safety Initiatives		191		191			191
382	Staffing	352	114		466			466
283	Community Support and Engagement	238	42		280			280
320	Parish and Voluntary Sector Liason	259	13		272			272
1,576	TOTAL COMMUNITY SAFETY AND PARTNERSHIPS	849	760		1,609			1,609
4,279	TOTAL COMMUNITY SAFETY COMMITTEE	3,881	2,156	2	6,039	(1,808)		4,231

Community Safety Committee - Capital Programme 2013/14

Total			Budget				
Project	Actual to		Revised	Year	Indicative Figures		
Cost	31.03.12		2012/13	2013/14	2014/15	2015/16	2016/17
£000	£000		£000	£000	£000	£000	£000
REGISTRATION SERVICES							
300	-	Newark Register Office	3	297	-	-	-
Gross Capital Programme			3	297	-	-	-
Funded from:							
		Approved County Council Allocations	3	297	-	-	-
		External Grants & Contributions	-	-	-	-	-
		Revenue	-	-	-	-	-
		Reserves	-	-	-	-	-
Total Funding			3	297	-	-	-

Culture Committee

Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		13,014
2 Budgets Transferred between Committees		53
3 Additional allocations/reductions 2012/13		(94)
4 Capital Financing Budget Transfers		268
5 2013/14 Service Changes:		
Budget Pressures		
Cultural and Enrichment Services	388	
Country Parks	275	
	<u> </u>	663
Pay Award		117
Extension of Olympic Legacy 2013/14		700
Budget Savings		
Libraries and Archives	(216)	
Cultural and Enrichment Services	(115)	
	<u> </u>	(331)
6 Annual Budget 2013/14		14,390

Culture Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Original Budget 2013/14 £'000
9,105	Libraries Archives and Information	6,817	6,425		13,242	(2,823)	(1,528)	8,891
1,317	Country Parks	2,112	2,242		4,354	(160)	(2,597)	1,597
421	Conservation	373	72		445			445
1,188	Cultural and Enrichment Services	1,952	2,840		4,792	(791)	(1,795)	2,206
983	Capital Charges			1,251	1,251			1,251
13,014	TOTAL CULTURE COMMITTEE	11,254	11,579	1,251	24,084	(3,774)	(5,920)	14,390

Culture Committee - Capital Programme 2013/14

Total Project Cost £000	Actual to 31.03.12 £000		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
LIBRARIES							
5,235	684	West Bridgford Library	4,551	-	-	-	-
7,459	7,350	Worksop Library	109	-	-	-	-
841	724	Mansfield Library *	117	-	-	-	-
2,568	-	Nottinghamshire Archives Extension	20	2,284	264	-	-
135	-	Annesley Woodhouse Library	-	135	-	-	-
35	-	Tuxford Library	-	35	-	-	-
87	1	Bestwood Country Park Toilet	86	-	-	-	-
2,765	3	Libraries Refurbishment Phase 2 †	-	50	940	450	1,322
610	557	Libraries Self-Service Technology	53	-	-	-	-
COUNTRY PARKS							
270	152	Rufford Schemes	118	-	-	-	-
33	-	Rufford Abbey Improvements	33	-	-	-	-
8,255	1,414	Sherwood Forest Visitors Centre #	10	1,831	-	-	-
SPORTS							
7,111	761	National Water Sports Centre #	50	1,550	-	-	-
OTHER SCHEMES							
1,000	-	Civil War Museum	-	1,000	-	-	-
70	-	Tuxford Conservation Area	-	45	-	-	-
Gross Capital Programme			5,147	6,930	1,204	450	1,322

Culture Committee - Capital Programme 2013/14

Total Project Cost £000	Actual to 31.03.12 £000	Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
				2014/15 £000	2015/16 £000	2016/17 £000
Funded from:						
	Approved County Council Allocations	4,561	2,105	1,204	450	1,322
	External Grants & Contributions	70	1,395	-	-	-
	Revenue	-	7	-	-	-
	Reserves	516	3,423	-	-	-
	Total Funding	5,147	6,930	1,204	450	1,322

NOTES:

- * The figures exclude the costs of temporary library facilities for the Mansfield Library scheme, which were met from reserves.
- † The Libraries Refurbishment Programme (Phase 2) has a start date of 2014/15, although Bingham Library refurbishment is expected to start earlier, in 2013/14. The programme also has budget of £2.41 million approved for 2016/17+.
- # The Council is currently exploring options for how it might provide funding to support the development of both of these important cultural facilities.

Economic Development Committee

Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		843
2 Budgets Transferred between Committees		(33)
3 Additional allocations/reductions 2012/13		295
4 Capital Financing Budget Transfers		35
5 2013/14 Service Changes:		
Pay Award		5
6 Annual Budget 2013/14		1,145

Economic Development Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	REGENERATION							
	Connectivity		45		45			45
	Competitive Business Growth		110		110			110
204	Aspiration & Talent		100		100			100
80	Turbine		50	35	85			85
35	Leadership		14		14			14
118	Experience Nottingham		218		218			218
	Rural Broadband		150		150			150
406	Regeneration Staffing	423			423			423
843	TOTAL ECONOMIC DEVELOPMENT COMMITTEE	423	687	35	1,145			1,145

Policy Committee Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		23,618
2 Budgets Transferred between Committees		805
3 Additional allocations/reductions 2012/13		(3,142)
4 Capital Financing Budget Transfers		1,617
5 2013/14 Service Changes:		
Budget Pressures		
County Council Elections	1,200	
Ways of Working	(2,000)	
Legal Services change in trading status	537	
Improvement Programme core staff	500	
Apprentices	300	
	<hr/>	537
Pay Award		125
Budget Savings		
Restructuring	(128)	
	<hr/>	(128)
6 Annual Budget 2013/14		23,432

Policy Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
1,702	Democratic Services	806	274	2	1,082		(58)	1,024
1,884	Members Allowances	1,649	179		1,828		(4)	1,824
	County Council Elections		1,200		1,200			1,200
	Directorate / Business Support	515	110		625			625
1,726	Policy, Performance, Research & Equalities	613	220		833			833
549	Complaints & Information Governance	547	95		642			642
	Apprentices	300			300			300
2,525	Corporate Communications	1,995	2,062	23	4,080		(1,714)	2,366
2,078	Business Support Centre	6,108	1,461	593	8,162		(3,684)	4,478
	IMPROVEMENT PROGRAMME							
6,681	Improvement Programme	2,690		1,007	3,697			3,697
2,500	Ways of Working	523			523			523
(150)	Ways of Working - Operational Savings							
9,031	SUBTOTAL IMPROVEMENT PROGRAMME	3,213		1,007	4,220			4,220
2,973	Customer Services Centre	2,975	524	319	3,818		(118)	3,700
(455)	PPCS Staffing							
2,142	Grants to Organisations		2,220		2,220			2,220
(537)	Legal Services (formerly a trading service)	2,025	438		2,463		(2,463)	-
23,618	TOTAL POLICY COMMITTEE	20,746	8,783	1,944	31,473		(8,041)	23,432

Policy Committee - Capital Programme 2013/14

Total Project Cost £000	Actual to 31.03.12 £000		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
POLICY PLANNING & CORPORATE SERVICES							
480	-	Customer Services Centre *	480	-	-	-	-
756	645	Strategic Communications Initiatives	111	-	-	-	-
IMPROVEMENT PROGRAMME							
397	-	EDRMS	397	-	-	-	-
14,504	1,515	Ways of Working	7,914	5,075	-	-	-
Gross Capital Programme			8,902	5,075	-	-	-
Funded from:							
Approved County Council Allocations			8,902	5,075	-	-	-
External Grants & Contributions			-	-	-	-	-
Revenue			-	-	-	-	-
Reserves			-	-	-	-	-
Total Funding			8,902	5,075	-	-	-

NOTE:

* This scheme is currently under review and a full business case is being prepared. The figure is an indication of the likely spend on the revised scheme.

Finance & Property Committee Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		24,966
2 Budgets Transferred between Committees		911
3 Additional allocations/reductions 2012/13		3,326
4 Capital Financing Budget Transfers		1,391
5 2013/14 Service Changes:		
Pay Award		197
Budget Savings		
Rationalisation of IT Networks	(150)	
Rationalisation of IT Applications	(50)	
IT Restructuring	(339)	
ICT Desktop Strategy	(50)	
Property Restructuring	(380)	
Planned Maintenance	(200)	
Finance Staffing	(105)	
	<hr/>	(1,274)
6 Annual Budget 2013/14		29,517

Finance & Property Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
3,134	Finance Group	4,260	668	50	4,978		(1,982)	2,996
701	Corporate Procurement	1,305	95		1,400		(81)	1,319
(3,000)	Procurement Savings							
561	E&R Business Support	807	154	932	1,893			1,893
691	Councillors Divisional Fund		670		670			670
11,072	IT Services	7,687	9,914	1,081	18,682		(7,326)	11,356
6,507	Property Services	4,396	5,607	819	10,822		(4,634)	6,188
5,387	Building Maintenance Works		5,187		5,187			5,187
	Contribution from Trading Services:							
(67)	County Supplies	941	488	15	1,444		(1,516)	(72)
(20)	Property Operations	1,432	4,848		6,280		(6,300)	(20)
24,966	TOTAL FINANCE AND PROPERTY COMMITTEE	20,828	27,631	2,897	51,356		(21,839)	29,517

Finance & Property Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
BUILDING WORKS							
n/a	n/a	Building Works †	5,747	6,598	2,400	2,400	2,400
CORPORATE FIRE REMEDIAL							
193	-	Fixed Mobile Convergence	193	-	-	-	-
ICT SCHEMES							
1,659	1,552	Network Development	107	-	-	-	-
n/a	n/a	ICT Infrastructure †	1,176	1,000	1,000	1,000	1,000
252	144	IT Data Centre	108	-	-	-	-
2,202	882	Microsoft Enterprise Agreement	1,320	-	-	-	-
485	-	ICT Disaster Recovery	385	100	-	-	-
344	-	Lotus Domino Migration	344	-	-	-	-
686	-	County Supplies	604	82	-	-	-
OTHER SCHEMES							
n/a	n/a	Risk Management - Security	396	-	-	-	-
10,023	9,990	Gresham Park	33	-	-	-	-
900	-	County Cricket Club	900	-	-	-	-
1,800	460	Sun Volt Programme	340	250	250	250	250
7,970	4,783	Business Management System #	3,027	2,150	-	-	-
2,000	-	Renewable Heat Boiler Programme	200	1,000	800	-	-
Gross Capital Programme			14,880	11,180	4,450	3,650	3,650

Finance & Property Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*	Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
				2014/15 £000	2015/16 £000	2016/17 £000
Funded from:						
	Approved County Council Allocations	13,257	11,180	4,450	3,650	3,650
	External Grants & Contributions	-	-	-	-	-
	Revenue	-	-	-	-	-
	Reserves	1,623	-	-	-	-
	Total Funding	14,880	11,180	4,450	3,650	3,650

NOTES:

* Figures for Total Project Cost and Actual to 31.03.12 are for information only in respect of schemes running over several financial years. They are not applicable to annual programmes.

† Building Works includes annual funding for Health and Safety until 2013/14 and has an ongoing budget of £2.4 million per year thereafter.

The allocation for ICT Infrastructure is £1 million per year from 2012/13 to 2019/20.

Figures shown here for the Business Management System relate to only the capital elements of this scheme.

Personnel Committee Variation Summary 2012/13 to 2013/14

	£'000	£'000
1 Original Budget 2012/13		3,779
2 Budgets Transferred between Committees		(1,570)
3 Additional allocations/reductions 2012/13		145
4 Capital Financing Budget Transfers		-
5 2013/14 Service Changes:		
Pay Award		41
Budget Savings		
Learning & Development		(10)
6 Annual Budget 2013/14		2,385

Personnel Committee - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
4,125	Corporate Human Resources	3,411	4,494		7,905	(288)	(5,086)	2,531
(675)	Environment and Resources Department Trading Units	26,840	30,995	305	58,140	(938)	(57,877)	(675)
329	Facilities Management Trading Unit	280	360		640	(24)	(87)	529
3,779	TOTAL PERSONNEL COMMITTEE	30,531	35,849	305	66,685	(1,250)	(63,050)	2,385

Personnel Committee - Capital Programme 2013/14

Total Project Cost £000*	Actual to 31.03.12 £000*		Revised 2012/13 £000	Budget Year 2013/14 £000	Indicative Figures		
					2014/15 £000	2015/16 £000	2016/17 £000
ENVIRONMENT & RESOURCES TRADING UNITS							
18	-	Riverside Restaurant Air Conditioning	18	-	-	-	-
n/a	n/a	Landscape Services	70	70	70	70	70
Gross Capital Programme			88	70	70	70	70
Funded from:							
Approved County Council Allocations			-	-	-	-	-
External Grants & Contributions			-	-	-	-	-
Revenue			-	-	-	-	-
Reserves			88	70	70	70	70
Total Funding			88	70	70	70	70

NOTES:

* Figures for Total Project Cost and Actual to 31.03.12 are for information only in respect of schemes running over several financial years. They are not applicable to annual programmes.

Public Health Summary 2013/14

	£'000	£'000
1 Original Budget 2012/13		-
2 Budgets Transferred between Committees		-
3 Additional allocations/reductions 2012/13		-
4 Capital Financing Budget Transfers		-
5 2013/14 Service Changes:		
Transfer of responsibility from NHS		35,103
6 Annual Budget 2013/14		35,103

Public Health - Revenue Budget 2013/14

Original Budget 2012/13 £'000		Employees £'000	Running Expenses £'000	Capital Charges £'000	Gross Expenditure £'000	Grant Income £'000	Other Income £'000	Annual Budget 2013/14 £'000
	Sexual Health		6,782		6,782			6,782
	NHS Health Check Programme		1,349		1,349			1,349
	Health Protection		3		3			3
	National Childhood Measurement Programme		69		69			69
	Obesity		1,324		1,324			1,324
	Physical Activity		107		107			107
	* Substance Misuse		12,098		12,098		(632)	11,466
	Smoking & Tobacco		3,274		3,274			3,274
	Children 5-19 Public Health Programmes		4,174		4,174			4,174
	Miscellaneous Public Health Services		1,347		1,347			1,347
	Public Health Directorate Pay & Associated Costs	2,958	80		3,038			3,038
	Public Health Innovation fund		1,200		1,200			1,200
	Public Health Corporate		970		970			970
	** Substance Misuse in Prisons		1,402		1,402		(1,402)	
	TOTAL PUBLIC HEALTH	2,958	34,179		37,137		(2,034)	35,103

* NCC are the lead commissioner for Substance Misuse

** Substance Misuse in Prisons will be a section 75 agreement with Nottinghamshire & Derbyshire Area Team for National Commissioning Board

*** Public Health is wholly funded by government grant - this is held corporately and is displayed separately in the 'Items outside Committee' summary section

**REPORT OF THE SERVICE DIRECTOR – FINANCE & PROCUREMENT
(S151 Officer)**

BUDGET 2013/14

Robustness of Budget Estimates and the Adequacy of the County Council's Reserves

1. The County Council has always taken a prudent approach regarding its reserves, which are specifically set aside to meet future or potential future expenditure. The Council's current position is therefore relatively robust.
2. There are four main types of reserve held by the County Council:
 - The County Fund Balance is a non-earmarked reserve, consisting of the accumulated surpluses on the general fund. A balance on the County Fund is maintained to cushion the impact of uneven cash flows and as a contingency to reduce the impact of unexpected events or emergencies
 - Earmarked Reserves are held to meet specific planned expenditure, for example, that relating to PFI schemes.
 - Schools Statutory Reserve represents monies held on behalf of Schools under the Financial Management of Schools scheme.
 - Capital Receipts & Grants have been generated as a result of past land and property sales or grant allocations, and have not yet been applied.

Forecast Level of Reserves

3. In light of the significant changes to the economic environment, central government have encouraged councils to be innovative regarding the deployment of existing reserves to meet one-off costs now, and where possible to realise future benefits, for example reductions in borrowing costs.
4. As in previous years the County Council has undertaken a review of all of its reserves; the level of reserves for the current and following year has been forecast based on latest estimates and is shown in Table C1 below.

Table C1 – County Council Reserves Forecast to 31st March 2014

Reserve	Actual Balance as at 31/03/2012 £'m	Projected Balance as at 31/03/2013 £'m	Forecast Balance as at 31/03/14 £'m
County Fund Balances	29.7	36.6	21.5
Earmarked Reserves:			
Insurance Reserve	7.6	7.6	7.6
Bassetlaw PFI	1.3	1.6	1.9
East Leake PFI	3.1	3.4	3.6
Waste PFI	26.7	28.2	28.5
Corporate Redundancy	3.1	3.1	0
Earmarked for Services	31.2	23.4	11.3
Earmarked reserve	1.7	0	0
Improvement Programme	18.0	9.9	7.2
Lifecycle Maintenance	3.7	4.2	4.2
Pay Review Reserve	2.0	3.0	2.0
Trading Organisations	3.2	3.7	4.2
Capital Projects Reserve	27.6	26.2	5.1
Subtotal Earmarked Reserves	129.2	114.3	75.6
Schools Statutory Reserve	39.2	37.2	35.2
Capital Receipts and Grants Unapplied	6.4	6.4	6.4
Total Usable Reserves	204.5	194.5	138.7

5. Certain assumptions have been made in predicting closing balances and the timing of when movements on balances will occur. These are outlined below, with specific changes included in the Recommendations section within this report.
- The latest budget monitoring report, which covers the first three quarters of the year, predicts an underspend in the region of £8.4m. Whilst there may still be fluctuations in the forecast before the year end, it is considered reasonable to expect a surplus of up to £7m to be available. It is proposed to contribute £2m to County Fund Balances and £5m to the Capital Projects reserve which will allow future capital schemes to be undertaken with limited impact on the Council's borrowing position, and therefore reduce future debt repayments.
 - A comparison exercise with other Shire Counties undertaken last year, concluded that on average, a County Fund Balance equating to 3.96% of net revenue expenditure is considered prudent. Dependent upon the final outturn for 2012/13 and subsequent transfer to balances, up to £15m can be utilised in line with this level. This will ensure a balanced budget for 2013/14.
 - PFI Reserves are built up using funding surpluses which are held for use in later years of the contract, when the planned withdrawal of government funding will leave a funding shortfall.
 - A full review of services reserves has also been undertaken and £0.5m has been identified as no longer required, and as a result will be released to County Fund Balances. Furthermore, a net reduction of £7.3m will occur due to planned use in both the current year and in

2013/14. A further review of Earmarked Reserves will however be undertaken to assess their planned use against the need to support County Council priorities, particularly in light of a potential reduced level of County Fund balances. The earmarked reserves also include Grants Received which now have to be classed as reserves due to a change in the accounting standards and these will be spent in accordance with the grant conditions.

- The reduction in the Improvement Programme Reserve represents the planned use of the reserve to fund the Improvement Programme up to March 2015. As with reserves earmarked for services, the overall level of the Improvement Programme reserve will also be assessed against the need to ensure County Fund Balances remain within acceptable levels.
- The Trading Organisations Reserve is money set aside by the Trading Units e.g. Catering, Cleaning, Landscape and County Supplies to fund future replacement equipment.
- The Schools Statutory Reserve comprises money that schools have set aside from their Dedicated Schools Grant and these funds are not available for general authority use. As such it is not possible to accurately predict future balances although they are likely to reduce as schools transfer to Academy status.

Adequacy of Proposed Reserves

6. Neither CIPFA nor the Audit Commission offer a prescriptive assessment of authorities' reserve needs. It is ultimately the responsibility of the County Council's Section 151 Officer to recommend a strategy for the management of reserves based on his professional opinion.
7. CIPFA considers that 'local authorities, on the advice of their finance directors, should make their own judgement on such matters taking into account all the relevant local circumstances'
8. CIPFA do not advocate the introduction of a statutory minimum level of reserves as 'there is a broad range within which authorities might reasonably operate depending on their particular circumstances'. Imposing a statutory minimum would also be against the promotion of local autonomy and would conflict with the increased financial freedoms that are being introduced in local authorities.

Risk Management Measures

9. The Council has developed a strategic approach to risk management that seeks to identify potential risks at an early stage so that remedial action can be taken. A comprehensive analysis of the main financial risks facing the County Council is shown at Appendix D.
10. This analysis supports the general arrangements the authority has in place for managing risk, and is underpinned by:
 - The External Auditors annual review of the Councils financial arrangements and assessment of the Council's financial health, which are then formally reported in their Annual Audit Letter.

- The Council's positive track record in sound and effective financial management.

Professional Opinion of the County Council's Section 151 Officer




11. The 2003 Local Government Act stipulates that the County Council's Section 151 Officer should report to Members on the robustness of budget estimates and the adequacy of proposed reserves. A summary of the total usable reserves available to the County Council is shown in Table C1 above. The table includes estimates of future reserve levels based on latest estimates of plans and commitments.
12. The strategy proposed in this report is to utilise up to £56m of County Fund and earmarked reserves. Of this total, £21m relates to the capital programme and it has always been planned to spend against the projects reserve in this way. Similarly, the utilisation of £12m earmarked for services reserves is in line with the original plans at the point of the reserves being created. The £15m use of County Fund Balances is primarily being used to ensure a balanced budget for 2013/14.
13. Aside from the capital projects reserve, the total reduction in reserves balances planned for 2013/14 represents 20.6% of the County Council's total reserves. My conclusion is that the budget as set out in this report is legal, robust and sustainable. However, given the on-going financial uncertainties and challenges, the need for robust financial management, strict budgetary control and the on-going monitoring of savings delivery plans, will be of paramount importance.

Recommendations




14. The level of proposed County Fund balances in 2013/14 be regarded as acceptable cover for any reasonable level of unforeseen events.
15. The report be noted.

PAUL SIMPSON CPFA
SERVICE DIRECTOR, FINANCE & PROCUREMENT and S151 Officer

Risk Register

Cause of Uncertainty	Description of Financial Uncertainty	Potential Financial Impact		Risk Assessment March 2013	Risk Actions / Controls
		Immediate Term	Medium Term		
Uncertainty in Central Government Funding					
Economic / Government	The Comprehensive Spending Review ends in 2014/15 and whilst no future public spending decisions have been made, indications are that Local Government can expect to see its grant funding reduced further, perhaps by as much as 15% over and above the reductions that have previously been announced.	Total Revenue Support Grant Funding 2013/14: £143m	Total Grant Funding 2014/15: £120m		Keep up to date on information releases from Central Government. Continuous review of spending and savings realisation through Budget Monitoring. Challenge expenditure decisions and service delivery options. Actively pursue external funding wherever possible. Undertake refresh of the Medium Term Financial Strategy and present funding scenarios for consideration to CLT and Members. (Note: a 15% reduction split over 2015/16 and 2016/17 has already been factored into the existing MTFs.).
Economic / Government	The Local Government Finance Act 2012 will introduce the retention of business rates from April 2013. Although this provides an incentive for local authorities to benefit from growth it also introduces a level of risk if growth is less than expected or falls.	Total NNDR receipts generated through district councils 2013/14 £95m	Total NNDR receipts generated through district councils 2014/15 £98m		Creation of the Nottinghamshire Pool with all district council partners. Close working relationship with District Councils to develop growth strategy. Continue supporting local business to ensure Nottinghamshire remains an attractive place to do business, for example promoting the significant role the Council played in securing funding to widen the A453. Keep up to date on information releases from Central Government.
Economic / Government	The Local Government Finance Act 2012 also introduced the localisation of council tax support, replacing the former council tax benefit system. Entitlement to Council Tax Benefit will be localised from April 2013 with funding reduced by 10%. District Councils are responsible for devising their local schemes and the overall level of Council Tax generated will depend on these schemes, and more likely, reduce.	The level of precept is £273m in 2013/14 having taken account of the reduction in council tax base.	The estimated impact of a 1% increase in claimants is £0.44m		Close working relationship with District Councils to keep up to date on changes to proposed local schemes. Encourage employment initiatives to boost employment in the region and therefore reduce the number of claimants. The Government has provided transitional funding to reduce the impact of local schemes.




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Failure to Achieve Proposed Reductions in Expenditure					
Future expenditure	Savings anticipated to be required over the next 4 years is £133mm of which £73m will be reinvested into priority services. Inevitably, given the speed, scale and complexity of the transformation programme required there are risks they will not all be achieved.	Over £70 million savings were delivered in 2011/12 and the Council is on track to deliver a further £36 million in 2012/13, with another £26 million savings identified for delivery over 2013/14 and 2014/15.	Achievable savings 2014/15 – 2015/16: £133m. Non delivery of 1% equates to £1.3m.		Policy Committee in October reviewed the future direction of the Improvement Programme Business cases considered before savings put forward for approval. Robust monitoring of savings realisation through effective budgetary control and management, clear accountability and ownership. Recovery plans / alternative savings need to be identified if overspends occur during the year.
Failure to Remain in Cash Limits					
Service Pressure / Financial Management	Budgets have been cash limited for 2013/14 and no allowance for general price inflation has been included, other than for specific business reasons. Therefore there is a risk that the rigorous spending controls, critical to ensure inflationary pressures are absorbed, may be breached.	Total premises, transport & supplies budget £449m. A 1% overspend would equate to £5m.			Monitor regularly and robustly, implementing recovery plans if necessary. Challenge expenditure decisions and service delivery options. Identify budget pressures early in process and make necessary provision for those outside of authority control.
Cost of Redundancies					
Financial Management	A reduction in staffing numbers will lead to substantial redundancy costs. Until specific posts are determined, it is not possible to calculate the individual pension strain and redundancy payment, and budgets have therefore been prepared on an estimated average cost. (Note elements of the total cost must be recognised in the year in which liability is identified and therefore the impact will partly fall in the current financial year).	Anticipated cost of redundancies £3.2m.			A redundancy contingency has been provided in 2013/14 budget. Costs will be closely monitored as the year progresses and departmental underspends will be used to offset these costs in the first instance where they arise in year. An earmarked redundancy reserve of £3.1m has been set aside.

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Increase in Cost of Children's Placements					
Service Pressure	The number of Looked After Children continues to increase and additional funding of £11m has been factored into the MTFS over the next 2 years (on top of £6m that was agreed in last years budget). Nonetheless, there is a risk that actual costs could still be higher than the available resources.	Total Children's Social Care Budget (including 2013/14 increase): £58m. A 1% increase would equate to £0.5m.		MEDIUM	Cost of external/specialist placements renegotiated as part of an East Midlands consortia project. Active recruitment of more internal foster carers. Analysis of recent trends and future cost drivers to develop accurate future forecasts.
Increase in Cost of Adult Social Care					
Service Pressure	The Welfare Reform Act 2012 will see the introduction of Universal Credit from October 2013. This will see the replacement of a number of benefits paid to people of working age into the Universal Credit, including Housing Benefit and Income Support. The award of Housing Benefit is typically used as a flag to indicate entitlement to other locally provided services, such as support to the elderly and disabled people as well as any payment towards those services. The level of impact is hard to determine and there is a risk that costs for social care will increase.		Total Adult Social Care & Health Budget (including 2013/14 increase): £217m. A 1% increase would equate to £2.2m.	MEDIUM	Timely feedback to Members should budget implications become apparent.
Capital Programme					
Financial Management/ Future Expenditure	Risk that capital programme will overspend.	Capital Programme 2013/14: £133m. 1% overspend equates to £1m.		LOW	Regular and robust monitoring of the programme through the year. Contingency element included in programme.
Financial Management	Risk that capital programme will slip beyond the expected timeframe.	Capital Programme 2013/14: £133m. 1% slippage equates to £1m.		HIGH	Regular and robust monitoring of the programme through the year. Note: Authority has a history of slippage within the capital programme.
Service Pressure/ Future Expenditure	Risk that meeting rising expectations of the scale of the capital programme, will lead to further pressures on revenue resources as financing costs increase in the medium to long term.	2013/14 total financing costs: £36m		HIGH	Capital programme estimates to extend beyond revenue timeframe to account for long term impact of current decisions. Consideration of Council reserves to determine alternatives to borrowing for funding one off schemes. Setting and monitoring of the Prudential Indicators.

APPENDIX D

Future Receipts	Risk that planned capital receipts will not be achieved or will be delayed, resulting in additional borrowing requirement and therefore impact on the revenue budget.	Total Capital Receipts 2013/14: £6m. A 1% reduction equates to £0.06m to be financed from alternatives i.e. borrowing	Total Capital Receipts 2013/14 – 2016/17: £47.6m. A 1% reduction equates to £0.4m to be financed from alternatives i.e. borrowing.		Regular monitoring of property sales. Preparatory work undertaken to ensure major sales are ready to progress before they are included in the programme. An element of slippage is factored into capital receipt realisation, and slippage will also be offset if slippage in expenditure occurs. Implementation of risk based approach in assessing capital receipts by property. Close alignment with Treasury Management Strategy so that borrowing decisions are well informed and opportunities to manage interest rates are maximised.
Future Expenditure	Risk that borrowing rates will increase	Estimated long-term borrowing at 1 April 2013: £312m. An increase in borrowing rates would only impact on new or refinanced borrowing.			Monitor interest rates, and borrow accordingly, for example borrowing in advance of need when rates are considered low.
Reserves Fall to an Unacceptable Level					
Future expenditure / Financial Management	Reserves are maintained to cushion the impact of uneven cashflows and to reduce the impact of unexpected events. They are reviewed regularly, in the context of the current economic environment. The 2013/14 budget is utilising £16m of County fund Balances in order to deliver a balanced budget.	Expected opening balance 2013/14 Reserves: £198m of which £37m non-earmarked County Fund Balances.			Risk analysis undertaken of the levels of general fund reserve held. Benchmark exercise against other Shire County Councils. Strategic, planned approach to use of reserves. Regular monitoring to ensure reserves are kept at an adequate proportion of net expenditure.

Annual Minimum Revenue Provision (MRP) Statement

Local authorities are required each year to set aside a minimum amount as a provision in respect of capital expenditure previously financed by borrowing. Statutory Regulations governing this stipulate that authorities should prepare an annual statement on their policy on making MRP for submission to full Council. It is proposed that the following policy, approved by County Council (23 February 2012) for 2012/13, is continued for 2013/14:

- That MRP for capital expenditure financed by borrowing prior to 1 April 2007 continues to be based on the previous regulatory method;
- That MRP for capital expenditure financed by borrowing after 1 April 2007 be made on the basis of equal annual instalments over the estimated life of assets;
- That, for “on Balance Sheet” PFI contracts, the MRP requirement is regarded as met by a charge equal to the element of the unitary charge applied to write down the liability.
- That, for finance leases, the MRP requirement is regarded as met by a charge equal to the element of the rent that goes to write down the Balance Sheet liability.
- That, where a lease (or part of a lease) or PFI contract is brought onto the Balance Sheet, having previously been accounted for off-Balance Sheet, it is brought on at its written down value so that the MRP requirement is regarded as met by the inclusion in the charge, for the year in which the restatement occurs, of an amount equal to the write-down for that year only (i.e. there is no requirement to include in the charge any retrospective writing down of the Balance Sheet liability that arises from the restatement).

The policy on making MRP is to be reviewed, although any change will not be retrospective.

REPORT OF THE SERVICE DIRECTOR – FINANCE & PROCUREMENT

Prudential Indicators for Capital Finance

Purpose

1. To outline the prudential indicators and to suggest how expenditure will be financed by borrowing in an affordable, prudent and sustainable way.

Information and Advice

2. The Local Government Act 2003 enables local authorities to determine their programmes for capital investment and associated borrowing requirements, provided they have regard to the Prudential Code for Capital Finance in Local Authorities developed by CIPFA and also take advice from the Section 151 Officer.
3. The Executive Summary of the Code states that “The framework established by the Prudential Code should support local strategic planning, local asset management planning and proper option appraisal. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. In exceptional cases, the Prudential Code should provide a framework which will demonstrate that there is a danger of not ensuring this, so that the local authority concerned can take timely remedial action.”
4. The Code sets out a number of prudential indicators designed to support and record local decision making and it is the duty of the Service Director – Finance and Procurement (the Council’s Section 151 Officer) to ensure that this information is available to Members when they take decisions on the County Council’s capital expenditure plans and annual budget. Key issues to be considered are:
 - Affordability (e.g. implications for Council Tax)
 - Prudence and sustainability (e.g. implications for external borrowing and whole life costing)
 - Value for money (e.g. option appraisal)
 - Stewardship of assets (e.g. asset management planning)
 - Service objectives (e.g. alignment with the Council’s Strategic Plan)
 - Practicality (e.g. whether the capital plans are achievable).

Prudential Indicators**Affordability**

5. The Code requires the Council to be aware of the impact of financing capital expenditure on its overall revenue expenditure position and on its Council Tax requirements.
6. The costs of financing capital expenditure are:
 - Interest payable to external lenders less interest earned on investments; and
 - Amounts set aside for repayments of amounts borrowed (including repayments of amounts relating to PFI schemes and other finance lease liabilities).

The relevant figures from the 2011/12 Accounts are as follows.

Table F1 – 2011/12 Capital Financing Costs and Net Revenue Stream

Capital Financing Costs	£'m
Interest Payable (incl. PFI/Finance Leases)	33.526
Interest and Investment Income	-0.384
Repayment of Previous Years' Borrowing	16.098
Repayment of PFI/Finance Lease Liabilities	4.931
Other Amounts Set Aside for Repaying Debt	17.587
Total Capital Financing Costs	38.616

Net Revenue Stream	618.123
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7. The Capital Financing Costs as a proportion of Net Revenue Stream are not directly comparable with the equivalent figures reported in previous years because Net Revenue Stream now incorporates Recognised Capital Grants and Contributions due to a new accounting treatment which requires that these are recognised as income when they become receivable. Previously they were recognised as income over the lives of the assets which they were used to fund. The actual proportion for 2011/12 and the estimates for 2012/13 to 2015/16 are shown in the following table.

Table F2 – Capital Financing Costs as a Proportion of Net Revenue Stream

Capital Financing Costs as a proportion of Net Revenue Stream		
Actual	2011/12	11.6%
Estimates	2012/13	10.0%
	2013/14	11.2%
	2014/15	12.3%
	2015/16	13.3%

8. Much of the variation over time in the above estimated proportions is related to the variation in the levels of capital receipts available to set against the principal of amounts previously borrowed. A further factor is the reducing forecast of Net Revenue Stream. The proportion of capital financing costs to net revenue stream will be kept under review.
9. The Prudential Code requires local authorities to make reasonable estimates of the total of capital expenditure that it plans to incur in the forthcoming financial year and at least the following two financial years. These indicators, together with anticipated sources of finance, are as follows.

Table F3 – Estimates of Capital Expenditure

	2013/14	2014/15	2015/16	2016/17
	£'m	£'m	£'m	£'m
Capital Expenditure	132.956	82.055	54.735	45.298
Funded From:				
Borrowing	72.444	36.706	26.100	21.672
Grants and Contributions	44.351	37.679	27.465	22.456
Revenue / Reserves	16.161	7.670	1.170	1.170
Total	132.956	82.055	54.735	45.298

10. The proposed level of borrowing under the Prudential Code for 2013/14 is £72.1m, which is more than previously envisaged because of significant levels of re-phasing and slippage of expenditure from prior years. This re-phasing does not result in a higher overall level of debt.
11. The Prudential Code requires the impact of financing new borrowing on Council Tax levels to be assessed. The estimated levels of cumulative financing costs of total new borrowing (for both the continuing Capital Programme and the proposed changes to the Capital Programme) in the next four years are shown in the following table.

**Table F4 – Estimates of the Incremental Impact on Council Tax of
Borrowing for the 2013/14 to 2016/17 Capital Programme**

	2013/14	2014/15	2015/16	2016/17
Cumulative Borrowing	£72.1m	£108.6m	£134.4m	£156.0m
Estimated Financing Costs	£1.07m	£5.03m	£7.60m	£9.52m
*Cumulative Band D Council Tax impact	£4.68	£21.95	£33.17	£41.58
**Cumulative Band D Council Tax impact	£2.53	£13.02	£18.97	£24.72

*If financed entirely from Council Tax

** Adjusted for the fact that revenue costs are only part-funded from Council Tax

12. The Band D Council Tax for 2012/13 was £1,193.18. After taking into account the fact that not all revenue costs are funded from Council Tax, the forecast theoretical impact of capital financing on Council Tax is an increase of £2.53 or 0.2% in 2012/13.
13. However, the Council has determined that there will be no increase in the Council Tax for 2013/14 and that the increased capital financing costs will be met by reprioritisation. The cumulative amounts for 2014/15, 2015/16 and 2016/17 are equivalent to increases on the 2012/13 level of Council Tax of 1.1%, 1.6% and 2.1%, respectively.
14. Under the Prudential Code, the County Council is also required to forecast the total budgetary requirements arising specifically from the changes proposed to the Capital Programme in the Budget Report (paragraphs 30 to 51) and to calculate the resulting impact of these capital investment decisions on Council Tax levels.
15. The figures shown below include the impact of proposed capital investments to be made over the period 2013/14 to 2016/17, but exclude the impact of any unquantified on-going revenue savings that may arise from capital investments and exclude the impact of any scheme re-phasing or changes to the Capital Programme which were approved prior to the date of this report.

**Table F5 – Estimates of the Incremental Impact on Council Tax
of the new Capital Proposals**

	2012/13	2013/14	2014/15	2015/16	2016/17
Cumulative Net Impact of Proposals on Borrowing	£0.50m	£1.25m	£2.00m	£2.75m	£3.50m
Estimated Financing Costs of Proposals	£0.00m	£0.05m	£0.11m	£0.17m	£0.23m
*Cumulative Band D Council Tax impact	-	£0.20	£0.48	£0.73	£1.04
**Cumulative Band D Council Tax impact	-	£0.11	£0.28	£0.42	£0.62

*If financed entirely from Council Tax

** Adjusted for the fact that revenue costs are only part-funded from Council Tax

16. After taking into account the fact that not all revenue costs are funded from Council Tax, the proposed changes to the Capital Programme, if considered in isolation, would increase Council Tax by up to £0.11 in 2013/14. The cumulative increases for the subsequent three years are also shown in the above table.

Prudence and Sustainability

17. One of the features of the Prudential Code arrangements is the need to calculate the Capital Financing Requirement. This figure covers capital expenditure which has not yet been permanently financed through the revenue account. It is derived by consolidating a number of Balance Sheet items as follows.

Table F6 – Capital Financing Requirement 2011/12

	£'m
Fixed Assets	1400
Short-term Assets Held For Sale	4
Capital Adjustment Account	(627)
Revaluation Reserve	(109)
Capital Financing Requirement as at 31/3/12	668

18. The Code states that “In order to ensure that over the medium term net debt will only be for a capital purpose, the local authority should ensure that net debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.” This is a key indicator of prudence.

19. The Capital Financing Requirement needs to be rolled forward to the estimated position at the end of 2012/13:

Table F7 – Estimated Capital Financing Requirement 2012/13

	£'m
Capital Financing Requirement 2011/12	668
Borrowing in 2012/13	67
Additional PFI/Finance Lease Liabilities in 2012/13	0
Repayment of PFI/Finance Lease Liabilities in 2012/13	(5)
Capital Receipts set against previous borrowing in 2012/13	(4)
Other amounts set aside for Repayment of Debt in 2012/13	(18)
Estimated Capital Financing Requirement 2012/13	708

20. The additional Capital Financing Requirements for the next 3 years are:

Table F8 – Estimated Capital Financing Requirements 2013/14 - 2015/16

	2013/14 £'m	2014/15 £'m	2015/16 £'m
New Borrowing	72	36	26
Additional PFI/Finance Lease Liabilities	6	11	-
Repayment of PFI/Finance Lease Liabilities	(5)	(4)	(4)
Capital Receipts set against previous borrowing	(6)	(15)	(16)
Other amounts set aside for Repayment of Debt	(19)	(20)	(20)
Capital Financing Requirement Net Additions	48	8	(14)

Estimated Capital Financing Requirement	756	764	750
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21. As such there is a requirement to ensure that net debt (the sum of borrowing and other long-term liabilities, net of investments) in 2013/14 does not, except in the short term, exceed £764m (i.e. the estimated CFR for 2014/15). On past experience, this will not cause any problems.
22. The Local Government Act 2003 requires the County Council to set an "Authorised Limit" for its total external debt for 2013/14 and for each of the following two years. There is also a requirement to set an "Operational Boundary" for external debt (expressed as the sum of the Operational Boundary for Borrowing and the Operational Boundary for other Long-term Liabilities) for next year and each of the following two years. It is recommended that the Operational Boundary should be assessed initially, and then an Authorised Limit set that is higher than this. If it appears that the Authorised Limit might be breached, the Service Director – Finance and Procurement has a duty to report this to the County Council for appropriate action to be taken.
23. The Operational Boundary for external debt for the next three years can be built up from the existing level of external borrowing, which was £294m, and the level of relevant liabilities (including finance lease liabilities), which was £134m, on the Balance Sheet at 31 March 2012.

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24. These figures can be rolled forward to provide the proposed Operational Boundaries for 2013/14 and subsequent years.

Table F9 – Operational Boundaries 2013/14 – 2015/16

	Borrowing £'m	Other Long-Term Liabilities £'m	TOTAL £'m
External borrowing at 31 March 2012	294		294
Other Long-Term Liabilities at 31 March 2012		134	134
Net new borrowing in 2012/13	25		25
Net change in PFI/finance lease liabilities		(5)	(5)
Estimated external borrowing at 31 March 2013	319	129	448
Capital expenditure financed by borrowing 2013/14	72		72
Amounts set aside for repayment of debt	(25)		(25)
Net change in PFI/finance lease liabilities		1	1
Borrowing as per Treasury Management Strategy	18		18
Operational Boundary 2013/14	384	130	514
Capital expenditure financed by borrowing 2014/15	36		36
Amounts set aside for repayment of debt	(35)		(35)
Net change in PFI/finance lease liabilities		7	7
Borrowing as per Treasury Management Strategy	19		19
Operational Boundary 2014/15	404	137	541
Capital expenditure financed by borrowing 2015/16	26		26
Amounts set aside for repayment of debt	(35)		(35)
Net change in PFI/finance lease liabilities		(4)	(4)
Borrowing as per Treasury Management Strategy	19		19
Operational Boundary 2015/16	414	133	547

25. The contingency for unforeseen borrowing is available for increases in the Capital Programme that require financing by borrowing.
26. The Authorised Limits should not need to be varied during the year, except for exceptional purposes. It is proposed to add a further £25m to the Operational Boundaries for Borrowing to provide sufficient headroom for events such as unusual cash movements. The proposed Authorised Limits are:

Table F10 – Authorised Limits 2013/14 – 2015/16

	Authorised Limit		
	Borrowing £'m	Other Long-Term Liabilities £'m	Borrowing and Other Long-Term Liabilities £'m
2013/14	409	130	539
2014/15	429	137	566
2015/16	439	133	572

27. Both the Authorised Limits and Operational Boundaries are less than the Capital Financing Requirement because best practice in treasury management means that actual borrowing is below the notional underlying borrowing requirement.
28. The Prudential Code indicator in respect of treasury management is the adoption of the CIPFA Treasury Management Code of Practice. The County Council has formally adopted the code and approves an annual Treasury Management Policy and Strategy. This includes setting the treasury indicators:
- upper limits for fixed and variable interest rate exposures
 - upper limit for investments over 364 days
 - upper and lower limits for the maturity structure of borrowing.
29. In addition to considering the implications for external borrowing, the Council demonstrates further regard for prudence and sustainability in its requirement that all costs of a proposed major capital scheme, including service costs and other ongoing revenue costs, are analysed over the whole life of that scheme to inform the capital investment decision-making process.

Value for money – option appraisal

30. The County Council's Capital Programme is driven by the desire to provide high quality, value for money public services. It is monitored by the Corporate Asset Management Group, which is a cross-service group of Officers with a finance, service and property management background. Business cases for proposed new capital schemes are reviewed by this group and presented to Members. The review process requires that the sponsoring department submit detailed appraisals of a range of options, each costed over the whole life of the scheme.

Stewardship of Assets

31. The Council's Asset Management Plan sets out the condition of its assets and the arrangements for managing these effectively. The Council's Corporate Property Strategy enhances these arrangements, including increasing the awareness that efficient use of property is an important element of maximising the value obtained from the Council's overall resources.

Service Objectives

32. The option appraisal of proposed capital schemes overseen by the Corporate Asset Management Group considers, amongst other factors, the following:
- How the proposal links with the Council's Strategic Plan.
 - How the proposal will improve the Council's performance and, in particular, how it will deliver value for money and/or savings.

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- The service improvements and other anticipated benefits expected to be delivered from the investment.
- The extent that the proposal will impact across the Council's taxpayers.
- Details of any consultation or challenge that has influenced the proposals.

Practicality

33. The Capital Programme is monitored throughout the year to ensure that:

- Any slippage on major schemes is identified as soon as possible.
- Variations to the Capital Programme are reported to Finance & Property Committee on a regular basis.
- Funding sources are available when required.

Recommendation

34. It is recommended that the Prudential Indicators in Table E11 are approved as part of the 2013/14 budget.

Table F11 – Prudential Indicators 2013/14 – 2015/16

	2013/14	2014/15	2015/16
Estimated capital expenditure	£132.956	£82.055m	£54.735m
Estimated Capital financing requirement	£756m	£764m	£750m
Authorised limit for external debt	£539m	£566m	£572m
Operational boundary for external debt	£514m	£541m	£547m
Financing costs as a % of net revenue stream	11.2%	12.3%	13.3%
Impact of total capital investment on Council Tax	£2.53	£13.02	£18.97
Impact of proposed changes to the Capital Programme on Council Tax	£0.11	£0.28	£0.42

PAUL SIMPSON CPFA
SERVICE DIRECTOR, FINANCE & PROCUREMENT and S151 Officer

Report of the Service Director – Finance and Procurement

Treasury Management Strategy 2013/14

Introduction

1. Treasury Management is defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as:

“the management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks”.

2. The Local Government Act 2003 (the Act) require local authorities “to have regard –
 - (a) to such guidance as the Secretary of State may issue, and
 - (b) to such other guidance as the Secretary of State may by regulations specify for the purposes of this provision.”
3. The Local Authorities (Capital Finance and Accounting)(England) Regulations 2003 state that:

“In carrying out its capital finance functions, a local authority must have regard to the code of practice in ‘Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes’ (regulation 24).”
4. The 2003 regulations further require local authorities to have regard to the code of practice entitled the ‘Prudential Code for Capital Finance in Local Authorities’ (published by CIPFA), when considering how much they can afford to borrow. Both the Treasury Management Code (the Code) and the Prudential Code were updated in November 2011.
5. With regard to investment of funds, the Secretary of State issued revised guidance in 2010 that requires local authorities to prepare an annual investment strategy which has the key objectives of security and liquidity of funds.
6. The Code has 3 key principles which are:
 - i) the establishment of ‘comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury activities’.
 - ii) the effective management and control of risk are prime objectives and that responsibility for these lies clearly within the organisation.
 - iii) the pursuit of value for money and the use of suitable performance measures are valid and important tools.

7. In accordance with the CIPFA Code the Council adopts the following:
 - (a) The Council will create and maintain, as the cornerstones for effective treasury management:
 - a Treasury Management Policy Statement, stating the policies, objectives and approach to risk management of its treasury management activities
 - suitable Treasury Management Practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject to amendment only where necessary to reflect the particular circumstances of the Council. Such amendments will not result in the Council materially deviating from the Code's key principles.

- (b) The Council will receive reports on its treasury management policies, practices and activities, including an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.
 - (c) The Council delegates responsibility for the implementation, scrutiny and monitoring of its treasury management policies and practices to the Treasury Management Group, comprising the Service Director (Finance & Procurement), the Group Manager (Financial Strategy & Compliance), the Senior Accountant (Pensions & Treasury Management) and the Senior Finance Business Partner (Capital & External Funding). The responsible officer for the execution and administration of treasury management decisions is the Senior Accountant (Pensions & Treasury Management), who will act in accordance with the policy statement and TMPs.
8. This Treasury Management Strategy has been prepared in accordance with the regulations, guidance and codes of practice to support the Council's Medium Term Financial Strategy and in particular the financing of the capital programme and the management of cash balances. In addition to this strategy there is a Treasury Management Policy Statement in Appendix H that underpins the strategy together with the TMPs that govern treasury management operations.
9. The strategy covers:
 - the current treasury position
 - the borrowing requirement
 - Treasury Indicators
 - interest rate forecasts
 - the borrowing strategy
 - the investment strategy
 - Pension Fund cash.

Current Treasury Position

10. The Council's treasury portfolio forecast position at 31/03/2013:

Table 1.		£m	£m	Average Interest Rate
		estimate	estimate	estimate
EXTERNAL BORROWING				
Fixed Rate	PWLB	209		6.50%
	Market Loan	100		3.85%
	Other	10	319	0.78%
Variable Rate	PWLB	0		
	Market Loan	0	0	
Total			319	5.52%
Other Long-Term Liabilities			129	
Total Gross Debt			448	
Less: Investments			10	0.90%
Total Net Debt			438	

Note 1: PWLB = Public Works Loans Board

Note 2: Market Loans = Lenders' Option, Borrowers' Option (LOBO)

Borrowing Requirement

11. It is a statutory duty under section 3 of the Local Government Act 2003 and supporting regulations for the Council to determine and keep under review how much it can afford to borrow, termed the 'Authorised Limit'. This limit is determined for external borrowing (including both long-term and temporary borrowing and other forms of long-term liability, such as credit arrangements). This limit will reflect the need to borrow for capital purposes and for cash-flow purposes. The 'Authorised Limit' is set for at least the forthcoming financial year and two successive financial years.

12. The Council must have regard to the Prudential Code when setting the 'Authorised Limit', which essentially requires it to ensure that total capital investment is 'affordable, prudent and sustainable'.

13. In practice during the year the level of borrowing will be monitored against the 'Operational Boundary' which represents the planned level of borrowing for capital purposes and is set for the forthcoming financial year and next two

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financial years. Any breach of this indicator would provide an early warning of potential breach of the 'Authorised Limit' and allow time for the Council to take appropriate action to remain within the limit.

14. The main components involved in calculating these indicators are the level of capital expenditure together with the sources of finance available. The table below indicates the planned financing of the capital programme over the next three years.

Table 2.	Estimates			
	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m
Capital Expenditure	120	133	82	54
Financed by:				
Borrowing	67	72	37	26
Other	53	61	45	28

15. The amount of capital expenditure to be financed by external borrowing in future years forms part of calculating the 'Capital Financing Requirement' (CFR). This represents the Council's underlying need to borrow (including credit arrangements) for the approved capital programme. Capital expenditure financed by credit arrangements includes finance leases and private finance initiative schemes.

16. The Council's capital financing requirement is shown in Table 3 below. The difference between the CFR and the total of long-term liabilities and existing borrowing indicates the use of cash balances as explained further in paragraph 28.

Table 3.	Estimates			
	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m
Capital Financing Requirement	708	756	764	750
Long-term liabilities	129	130	137	133
Existing borrowing	319	384	404	414

17. Under the capital finance regulations, local authorities are permitted to borrow up to three years in advance of need. This Council will only consider borrowing in advance of need if market conditions indicate that it is the best course of action. One of the reasons for borrowing in advance is to take advantage of, and lock in, low long term interest rates. There may be a short term carry cost to borrowing in advance of need when current investment rates are lower than long term borrowing rates. This will be evaluated before any decision is taken to borrow in advance of need.

18. Borrowing in advance of need also increases the level of temporary investments and makes the security of those funds even more important.

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However, the Council's treasury management practices ensure that risks of investing funds are minimised.

19.

20. Treasury Management Indicators for 2012-13 and the proposed indicators for 2013-16 are set out below. The 'Authorised Limit and 'Operational Boundary' are detailed in Appendix F on the capital programme.

Table 4. TREASURY INDICATORS	Actual 2012/13 £m	Proposed 2013/14 £m	Proposed 2014/15 £m	Proposed 2015/16 £m
Authorised Limit for external debt				
Borrowing	424	409	429	439
Other long term liabilities	150	130	137	133
TOTAL	574	539	566	572
Operational Boundary for external debt				
Borrowing	399	384	404	414
Other long term liabilities	150	130	137	133
TOTAL	549	514	541	547
Upper limit for Rate Exposure				
Fixed Rate	100%	100%	100%	100%
Variable Rate	75%	75%	75%	75%
Upper limit for principal sums invested for over 364 days	Higher of £20m and 15%	Higher of £20m and 15%	Higher of £20m and 15%	Higher of £20m and 15%
Maturity structure of fixed rate borrowing		Lower limit	Upper limit	
under 12 months		0%	25%	
12 months and within 24 months		0%	25%	
24 months and within 5 years		0%	75%	
5 years and within 10 years		0%	100%	
10 years and above		0%	100%	
Adoption of CIPFA's Treasury Management in the Public Services Code of Practice and Cross Sectoral Guidance Notes		Adopted		

Interest Rate Forecasts

21. The outlook for interest rates in 2013/14 is dependent on the strength of the UK economy which in turn reflects the outlook for the global economy. The US economy's return to growth in 2012 is expected to strengthen in 2013 provided the 'fiscal cliff' is resolved. The Eurozone is expected to be in recession for much of 2013 while China's growth may be maintained by

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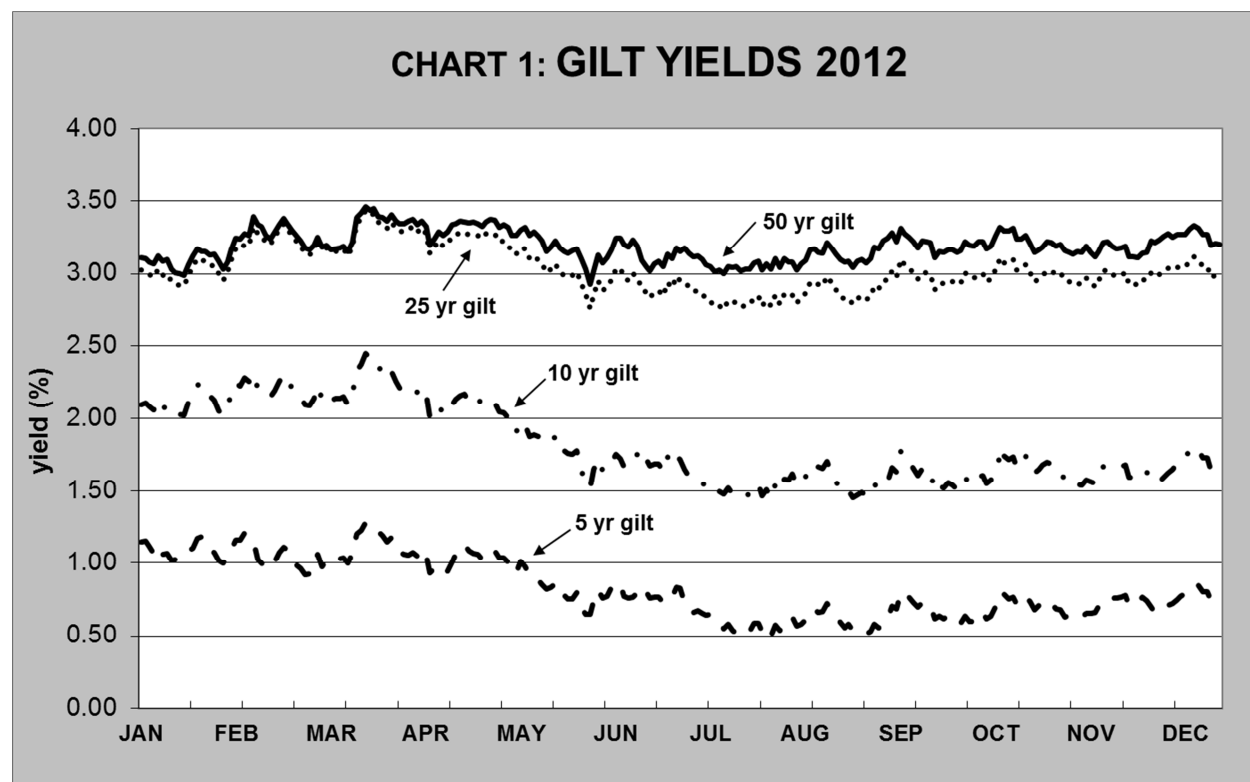
further stimulus from the authorities. The key driver for interest rates will be investor sentiment as risk assets look more attractive than 'safe' assets which will lead to selling of sovereign debt.

22. In the UK base rates remain at 0.5% and comments from the Governor of the Bank of England indicate that they may remain at that level for a number of years. Although inflation reduced through 2012 to a low of 2.2% in September, the rate has since increased to 2.7% in December 2012 and is expected to continue increasing throughout 2013. This is mainly a result of rising food and energy prices combined with a fall in the value of sterling.

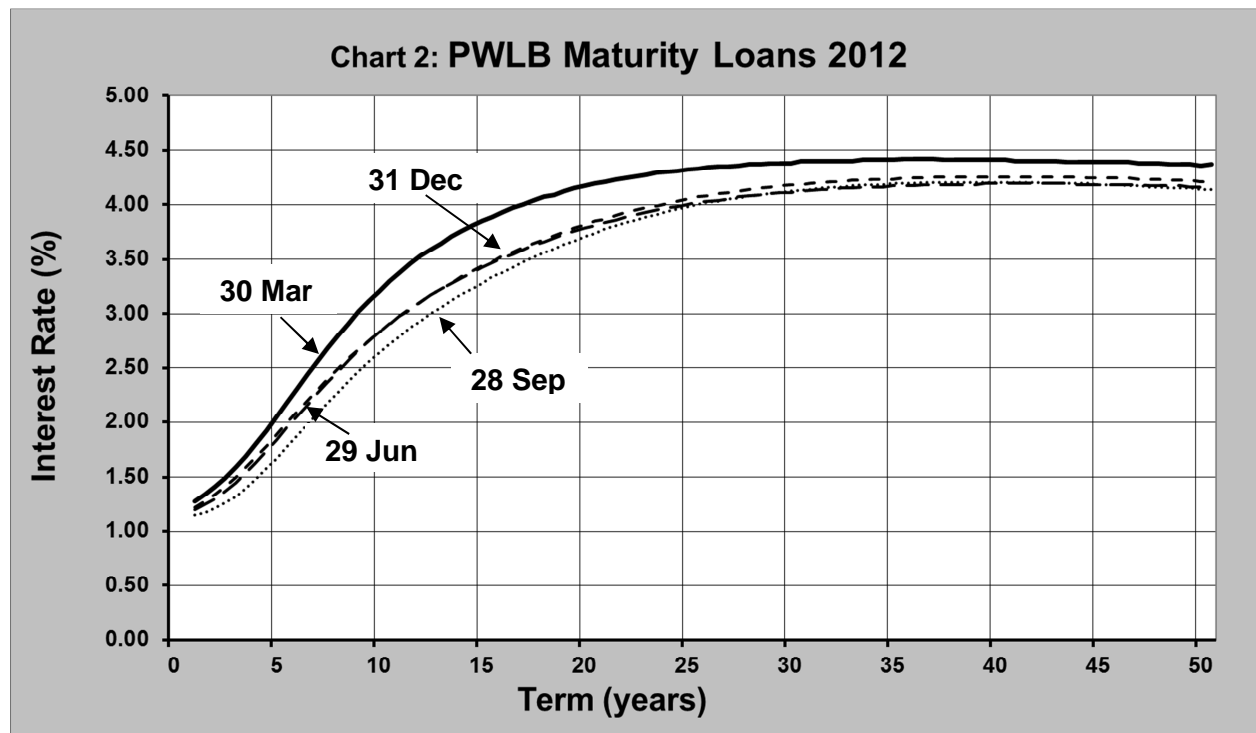
23. Other economic indicators suggest challenging times for the UK economy:

- 0% growth in 2012 overall with growth in Q4 of -0.3%
- Forecast growth of 1.2% in 2013 and 2.0% in 2014
- Unemployment at 7.7% (Nov 2012)
- Consumer spending up 0.4% in Q3 2012
- House prices flat or falling outside of London

24. The demand for UK gilts in 2012 has been supported by the Bank of England's quantitative easing programme, leading to steadily falling yields over the first half of the year as illustrated in Chart 1 below. The sovereign crisis in the Eurozone has led to the UK being seen as a safe haven for domestic and foreign investors alike. However this changed in July with the statement by the President of the European Central Bank, Mario Draghi, that he would do 'whatever it takes' to support the euro. This has given investors greater confidence in Eurozone sovereign debt who have been selling gilts as a result.



25. The UK government's austerity programme is weighing on market sentiment. The ratings agencies have put the UK's AAA rating under review and will deliver their verdict in early 2013. These factors have contributed to yields rising from their 2012 lows by between 20 and 25 basis points across all durations over the second half of the year. For durations of 5 and 10 years, yields ended 2012 around 40 basis points lower than at the start of the year. This compares with durations of 25 years, which remained unchanged, and of 50 years which are 10 basis points higher.
26. For 2013 the UK's fiscal position, combined with poor prospects for sustained economic recovery, suggest that yields will continue to rise throughout the year for longer durations. These upward pressures will be offset to some extent by demand from maturing defined benefit pension schemes as they seek to hedge their inflation risk by purchasing gilts. The prospects for further quantitative easing by the Bank of England, given the rising inflation trend over the next year, have been called into question. This would have an adverse effect on gilt yields if not continued. Another factor in the outlook for interest rates in 2013 is the change in Governor at the Bank of England with Mark Carney taking over from Sir Mervyn King in July. This is expected to lead to a change in policy but the impact of this is as yet unknown.
27. The implication is that, as borrowing rates from the PWLB reflect gilt yields with the addition of a 1% premium, borrowing costs are likely to increase for longer terms although this may only be marginal. For shorter term durations the rates are likely to remain fairly constant. Chart 2 below indicates the downward trend of PWLB rates over the first half of 2012 and the rise in the latter half of the year. Rates for PWLB maturity loans at the end of the year are very similar to the position at the end of June. The key feature of the chart is the flattening of the yield curve at December compared to March which reflects market sentiment that rates will not rise as quickly.



28. In the Chancellor's 2012 Budget local authorities were offered a reduction in the headline PWLB rate of 20 basis points for providing information on their borrowing plans. The Council has successfully applied for this reduction. There are plans for the Treasury to offer further reductions but these have yet to be drawn up.

Borrowing Strategy

29. Over the past several years the Council has largely financed the capital programme by using its cash balances (referred to as 'internal borrowing'). These are essentially earmarked reserves, general fund reserves and net movement on current assets. As this cash is not required in the short term for their specific purposes, it has been utilised to reduce external borrowing and also to reduce credit risk by having lower balances available for investments.

30. The borrowing strategy will therefore need to finance not only the capital programme as indicated in paragraph 15 but also replenish cash balances to ensure that the Council's business can continue as efficiently as possible and that principal repayments on maturing debt, annuity and equal instalment (EIP) loans are made. In this respect, it will be prudent to maintain a minimum cash balance of £20m which will provide a level of liquidity without recourse to temporary borrowing. This will minimise the risk of having to seek funds when availability may be restricted or expensive.

31. In the light of the uncertain economic outlook for the UK and the direction of gilt yields, the council will seek to obtain the best value by raising maturity loans from the PWLB in 2013/14. Given the flattening of the yield curve outlined in para. 26 above this suggests it may be advantageous to borrow at variable rates or else for very short terms of up to 5 years. The current 6

month variable rate equates to a 2.5 year maturity term and is around 3% less than for 25 year or more terms. The advantage of variable rate loans is that they provide short-term savings but can be converted to a fixed term loan after 1 year. This flexibility would be useful if rates increased more than expected over the next few years.

32. As the current portfolio of PWLB loans average over 6% the longer term rates for 25 years or more (currently just over 4%) still look attractive. However, given the continuing austerity programme, there is a risk of council budgets being cut further and in the recent Autumn Statement the Chancellor indicated that councils would face cuts of 2% in their grant in 2014/15. The implication is that borrowing costs represent a fixed cost that will have to be contained within a smaller budget.
33. The Council will seek to borrow up to £30m in 2013/14 to fund the capital programme, with up to another £10m to replenish cash balances and cover maturing debt. For the following 2 years, new borrowing is estimated to be £40m and £30m respectively. There is also the option of borrowing further sums should market rates look likely to increase significantly. Total borrowing in 2013/14 will be within the operational boundary for the year but consideration may be given to bring forward borrowing for future years which would require a revision to the treasury management indicators and be subject to a further report to Council.
34. The type, period, rate and timing of new borrowing will be an operational matter falling under the responsibility of the Service Director, Finance and Procurement exercised by the Senior Accountant (Pensions & Treasury Management) within the approved borrowing strategy, taking into account the following factors:
 - expected movements in interest rates as outlined above
 - current maturity profile
 - the impact on the medium term financial strategy
 - treasury indicators and limits.
35. Opportunities to reschedule debt will be reviewed periodically throughout 2013/14 but the current structure of repayment rates from the PWLB indicate significant premiums to be paid on the premature repayment of existing loans which would not be compensated by lower rates available for new loans.

Investment Strategy

36. During 2013/14 cash balances are expected to be kept at a low level with the aim of a minimum level of £20m. Table 5 above shows projected cash balances over the medium term. The low level of cash reflects the use of internal borrowing to fund the capital programme as outlined in paragraph 28 above. However, should market expectations indicate a rise in gilt yields then a higher level of external borrowing may lead to higher balances being maintained for a longer period.

37. The advantage to the Council of internal borrowing is that it costs less than external borrowing, the cost being the opportunity cost of interest foregone by not investing the cash (investment rates are typically under 1% for short-term deposits). Another advantage is that counterparty risk is reduced by having less cash to invest.
38. The level of cash balances means that the Council will not be able to invest for over a year without impacting on the level of liquidity. Therefore, the most suitable strategy will be to use call accounts or money market funds for a substantial part of its portfolio in order to manage the liquidity risk. There will be opportunities to invest in term deposits at the beginning of the year due to the profile over the year of government grant receivable and council spending.
39. Another consideration would be to manage the counterparty risk by increasing the number of institutions in which to invest. This is made more difficult by the current economic and financial climate in the Eurozone. It would be prudent to avoid exposure to the Eurozone by investing in UK banks and other overseas banks. However, this cannot eliminate exposure completely due to individual institutions' holdings of Eurozone debt. The advantage of UK banks is that they have stronger balance sheets than European banks together with support from a central bank responsible for financial stability and monetary policy. A further measure to ensure security of the Council's investments is to increase exposure to the UK local authority sector and UK government securities. The criteria for selecting counterparties has been amended to provide more security and flexibility as detailed in TMP 1 in Appendix H.
40. For local authorities fixed term deposits would be used but these are subject to demand and cannot be relied upon in the same way as bank lending. The use of treasury bills and UK government gilts would ensure priority is given to security and liquidity of funds.

Pension Fund Cash

41. The Council is an administering authority in the Local Government Pension Scheme and is required, under the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009, to invest any fund money that is not needed immediately to make payments. Since 1 April 2011 the Council is also required to have a separate bank account for transactions associated with the pension fund.
42. A separate Treasury Management Policy will be approved by the Nottinghamshire Pension Fund Committee and investments will be made on the Fund's behalf by the Council in accordance with that policy.
43. Joint investments with the County Council may be made where this is in the best interests of the Fund. In considering such investments, guidance issued by the Department for Communities and Local Government will be followed and the Fund will receive its fair share of interest in proportion to the share of cash invested. If losses occur the Fund will bear its share of those losses.

Report of the Service Director – Finance and Procurement

Treasury Management Policy Statement 2013/14

1. The Council, in line with the CIPFA Code of Practice, defines its treasury management activities as:
The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. The Council regards the successful identification, monitoring and control of risk as the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the Council.
3. The Council acknowledges that effective treasury management will provide support towards achieving its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
4. The Council's borrowing strategy will take account of all legislative requirements, codes of practice and other guidance to ensure that borrowing costs are "affordable, prudent and sustainable" and to mitigate refinancing risk. The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.
5. The Council's investment strategy will take account of all legislative requirements, codes of practice and other guidance to ensure that priority is given to the security and liquidity of investments.
6. The Council delegates responsibility for the implementation, scrutiny and monitoring of its treasury management policies and practices to the *Treasury Management Group*, comprising the Service Director (Finance & Procurement), the Group Manager (Financial Strategy & Compliance), the Senior Accountant (Pensions & Treasury Management) and the Senior Finance Business Partner (Capital & External Funding).
7. The Council's Treasury Management Policy will be implemented through the following Treasury Management Practices (TMPs). The responsible officer for the execution and administration of treasury management decisions is the Senior Accountant (Pensions & Treasury Management), who will act in accordance with the policy statement and TMPs.

TMP1 Risk management

8. The Senior Accountant (Pensions & Treasury Management) will design, implement and monitor all arrangements for the identification, management and control of treasury management risk. Reports will be made on these arrangements in accordance with the procedures set out in *TMP6 Reporting requirements and management information arrangements*. The arrangements will seek to cover each of the following risks.

Credit and counterparty risk

9. The risk of failure by a counterparty to meet its contractual obligations to the Council under an investment, borrowing, capital, project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or revenue resources.
10. The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparties and lending limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in the following paragraphs.
11. The Local Government Act 2003 gives a local authority power to invest for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs. In exercising this power, the local authority must have regard to guidance issued by the Secretary of State. The latest guidance was issued in April 2010.
12. The guidance classifies investments between "specified" and "non-specified". Specified investments are those offering high security and high liquidity. All such investments should be in sterling and with a maturity of no more than a year. Such short-term investments made with the UK Government or a local authority will automatically count as specified investments. In addition, short-term sterling investments with bodies or investment schemes of "high credit quality" will count as specified investments. The Council's policy is to invest surplus funds prudently, giving priority to security and liquidity rather than yield and investing in sterling instruments only. The majority of these will be specified investments.
13. The Council will operate an approved list of counterparties for lending. The approved lending list will comprise of institutions with high credit ratings based on the following minimum ratings from at least 2 rating agencies together with Fitch support rating of 1:

	Long Term	Short Term	Support	Money Market Funds
Fitch	A-	F1	1	AAAmmf
Moodys	A3	P-1	N/a	Aaamf
Standard & Poors	A-	A-1	N/a	AAAm

Sovereign Rating	AA
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14. The lending list will be approved by the *Treasury Management Group* and monitored by the Senior Accountant (Pensions & Treasury Management) in the light of rating changes and market conditions. Individual institutions or countries may be suspended from the list if felt appropriate. The *Treasury Management Group* may add or remove organisations from the approved list subject to maintaining consistency with the minimum criteria stated above.
15. The list reflects a prudent attitude to lending and uses a combination of ratings issued by the 3 main ratings agencies; Fitch, Moody's and Standard & Poors. Banks will be assessed for inclusion on the basis of long-term, short-term and support ratings, money market funds (MMFs) on the basis of MMF ratings.
16. Short term ratings assess the capacity of an entity to meet financial obligations with maturity of up to 13 months and are based on the short term vulnerability to default. The long-term ratings cover a period in excess of 1 year and are useful as a key indicator impacting on the cost of borrowing for financial institutions. This cost of borrowing will feed through to the ability of the financial institution to obtain funds at reasonable cost to maintain liquidity. Fitch Support Ratings are "an assessment of a potential supporter's propensity to support a bank" and of its ability to support it and indicate whether a bank would receive support, on a timely basis, should this become necessary. In addition, sovereign ratings will be used as a further factor. This reflects the ability of the country of domicile to access funds at a rate commensurate with managing its public finances.
17. MMFs are mutual funds that invest in cash and short-term money market instruments such as government bonds and commercial paper. They allow investors to participate in a more diverse portfolio than direct investment by spreading capital across a variety of institutions. The highest AAA rating reflects an extremely strong capacity to achieve the 'investment objective of preserving principal and providing shareholder liquidity through limiting credit, market, and liquidity risk'.
18. The Council subscribes to on-line access to Fitch Ratings and receives regular updates on the credit ratings of institutions on the approved lending list. The Council also subscribes to an on-line market information feed and will monitor ratings from the other two agencies along with general market data on a daily basis. The Council will also monitor developments in the financial markets including policy announcements by the government, Bank of England, regulatory bodies and other international bodies. It will use this information to determine if any changes are required to the above methodology.
19. All investments (up to 364 days duration) with the counterparties in the *Approved List* are considered specified investments apart from those with the Co-operative Bank. The Co-operative Bank is less highly rated by the credit agencies but it is recognised that it benefits from strong retail deposit funding

APPENDIX H

and has sound capitalisation. As the Council's bank, all treasury activity effectively operates through them, they are able to offer later deal deadlines than the money markets and transaction costs are lower.

20. The maximum amount to be lent to any organisation on the approved list is subject to individual institution limits of £20m. These limits **apply separately** to the County Council and the Pension Fund cash investments. Only two institutions within the same group may be used at any one time.
21. ***In addition to the limit stated in para. 22 above, the Treasury Management Group may increase the limit for specific institutions by £10 million for investments in call accounts and MMFs with same day liquidity.***
22. Investments with the UK government will have no upper limit but in practice limits will be dependent on the liquidity of those investments and may fall within the definition of specified or non-specified investments.
23. ***There may be occasions where it would be prudent to have a greater proportion of funds invested in UK banks in which the government is a significant shareholder or which have unconditional support or an implied guarantee. To give this additional flexibility, delegated authority is given to the Service Director (Finance & Procurement) to be able to increase the maximum limit for such UK institutions on the approved list to £50 million.***
24. Amounts invested in non-specified investments will be limited as follows:
 - Investments with the Co-operative Bank – use of call account only or fixed term deposits not exceeding 7 days and subject to the limits specified in paragraph 23.
 - Investments over one year - £20 million or 15% of the total invested at the time of the investment, whichever is the higher.
 - Investments over one year will be placed with financial institutions that meet the following criteria from at least 2 rating agencies:

	Long-Term	Short-Term	Support
Fitch	A	F1	1
Moodys	A2	P-1	N/a
Standard & Poors	A	A-1	N/a

Sovereign Rating	AA
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25. Exceptions to rating criteria will be made in respect of the following:
 - 1) the Council's banker (currently the Co-Operative Bank)
 - 2) the Pension Fund custodian (currently State Street)
 - 3) UK banks with significant shareholding by the government (currently Royal Bank of Scotland Group and Lloyds TSB Group)
 - 4) UK government

Liquidity risk

26. The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the Council's business/service objectives will be thereby compromised.
27. The Council will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.
28. Summarised weekly and annual cash flow forecasts will be provided on a quarterly basis to the *Treasury Management Group*. Detailed daily cash flow forecasts will be maintained by the Loans Officer. These forecasts will be used as the basis for ensuring adequate cash resources are available in order to support the Council's objectives.
29. The Senior Accountant (Pensions & Treasury Management) or Investments Officer may approve fixed term investments up to 364 days. Longer periods require permission from one other member of the *Treasury Management Group* and must comply with the relevant treasury management limits.

Interest rate risk

30. The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the Council's finances, against which the Council has failed to protect itself adequately.
31. The Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with *TMP6 Reporting requirements and management information arrangements*.
32. It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be subject to the consideration and, if required, approval of any policy or budgetary implications.
33. Monitoring will be daily by the Senior Accountant (Pensions & Treasury Management), in line with the treasury management indicators, with quarterly reports to the *Treasury Management Group*.

Exchange rate risk

34. The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the Council's finances, against which the Council has failed to protect itself adequately.

35. The Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels. Exposure will be minimal as the Council's borrowing and investment are all in sterling.

Refinancing risk

36. The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the Council for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.
37. The Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the Council as can reasonably be achieved in the light of market conditions prevailing at the time.
38. It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.
39. The maturity structure and prevailing interest rates are monitored by the Senior Accountant (Pensions & Treasury Management) in line with the limits set in the treasury management indicators, and regular reports are made to the *Treasury Management Group*.

Legal and regulatory risk

40. The risk that the Council itself, or a Council with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the Council suffers losses accordingly.
41. The Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under *TMP1(1) credit and counterparty risk management*, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to duty of care and fees charged.
42. The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the Council.

43. The Council is an administering authority in the Local Government Pension Scheme and is required, under the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009, to invest any fund money that is not needed immediately to make payments.
44. The Council will separately identify pension fund cash and specific investment decisions will be made on any surplus cash identified, based on the estimated cash flow requirements of the Fund. Specific investments will be made on the Fund's behalf by the County Council in line with the Fund's treasury management policy. As the majority of Fund cash is allocated to individual investment managers and may be called by them at short notice, it is expected that the majority of cash will be placed on call or on short-term fixed deposits. Unallocated balances may be placed directly with the Fund's custodian.
45. Joint investments with the County Council may be made where this is in the best interests of the Fund. In considering such investments, guidance issued by the Department for Communities and Local Government will be followed and the Fund will receive its fair share of interest in proportion to the share of cash invested. If losses occur the Fund will bear its share of those losses.

Fraud, error and corruption, and contingency management

46. The risk that an Council fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.
47. The Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Market risk

48. The risk that, through adverse market fluctuations in the value of the principal sums the Council borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.
49. The Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations. Decisions on investment in tradeable securities, which risk loss of capital, will only be authorised by the *Treasury Management Group*.

TMP2 Performance measurement

50. The Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its treasury management policy.
51. Accordingly, the treasury management function will be the subject of on-going analysis of the value it adds in support of the Council's stated business or service objectives. Methods of service delivery and the scope for potential improvements will be regularly examined.
52. Investments are made most days and the majority are for fixed periods at fixed rates or on call. Longer term deals are only placed where expectations of future interest rate movements suggest the potential for higher returns. For this reason, cash management returns will be benchmarked against the average **3 month LIBID** rate each year.
53. Returns are also benchmarked against other local authorities within the CIPFA benchmarking club but caution needs to be exercised in analysing these results as the attitude to risk of these authorities and the nature of their treasury management activities are not known in any detail.
54. Long term borrowing will be targeted to achieve a managed decline in the average interest rate. Borrowing will be in accordance with the treasury management strategy and opportunities will to be taken to borrow, as appropriate, at rates that are considered to be attractive over the long term.

TMP3 Decision-making and analysis

55. The Council will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.
56. Treasury management processes and practices are documented in the Investments Procedural Manual. This is reviewed and agreed by the *Treasury Management Group* following any material changes. Full records are maintained of all treasury management decisions in order to demonstrate compliance with these processes and for audit purposes. Where appropriate, decisions are reported to the *Treasury Management Group*.

TMP4 Approved instruments, methods and techniques

57. The Council will undertake its treasury management activities within the limits and parameters defined in *TMP1 Risk management*. Its borrowing activity will be within the prudential limits and include the following financial instruments:
- (a) overdraft or short-term loan from an authorised financial institution;
 - (b) short-term loan from a local authority;

- (c) long-term loan from an authorised financial institution (to include Lenders Options, Borrowers Options (LOBO) loans)
- (d) the PWLB;
- (e) loan instruments, including transferable loans up to five years duration and non-transferable of no fixed duration; and
- (f) accepting deposits from charities and individuals.

58. For investing purposes, the Council will use the following financial instruments:

- a) call or notice accounts
- b) fixed term deposits
- c) callable deposits
- d) structured deposits
- e) certificates of deposits
- f) money market funds
- g) UK Treasury Bills
- h) UK government bonds

59. For money market funds the Council will limit their use to those with a stable net asset value to mitigate against the loss of capital. For UK Treasury bills and UK government bonds the objective will be to hold until maturity but their tradeability gives the flexibility to realize these instruments earlier for liquidity purposes or in the event of significant capital gains. The Council will use forward dealing for both investing and borrowing where market conditions indicate this approach to offer more advantageous rates.

TMP5 Council, clarity and segregation of responsibilities and dealing arrangements

60. The Council considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

61. The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

62. If the Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the Senior Accountant (Pensions & Treasury Management) will ensure that the reasons are properly reported in accordance with *TMP6 Reporting requirements and management information arrangements*, and the implications properly considered and evaluated.

63. The Senior Accountant (Pensions & Treasury Management) will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangements for absence cover. The Senior Accountant (Pensions & Treasury Management) will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out.

64. The Senior Accountant (Pensions & Treasury Management) will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

65. The current responsibilities are outlined below.

- Treasury management strategy, policies and practices are set by the County Council.
- Responsibility for the implementation, **scrutiny** and regular monitoring of the treasury management policies and practices is delegated to the *Treasury Management Group*.
- The responsible officer for the execution and administration of treasury management decisions is the Senior Accountant (Pensions & Treasury Management), who will act within the parameters set by the Treasury Management Policy Statement and TMPs and decisions of the *Treasury Management Group*. The Investments Officer will act as deputy to the Senior Accountant (Pensions & Treasury Management) in their absence.

66. The current procedures are outlined below.

- Daily cash flow forecasts will be maintained by the Loans Officer. Summarised weekly cash flow forecasts will be provided to the *Treasury Management Group* on a quarterly basis.
- The daily procedures for cash flow monitoring, placing deals, transmission of funds and documentation are set out in the Investments Procedural Manual. These procedures are usually carried out by the Loans Officer with absences covered by another officer under the responsibility of the Senior Accountant (Pensions & Treasury Management).
- The officer dealing on the money market each day must prepare a cash flow forecast for that day based on the most up-to-date information available and this must be checked by the Senior Accountant (Pensions & Treasury Management), or another officer under the responsibility of the Senior Accountant (Pensions & Treasury Management), before that day's deals are carried out. Before conducting a deal, the officer will confirm that the Fitch ratings of the counterparty are in line with the approved policy.
- Deals must be within the limits set out in *TMP1 Risk management*. Dealing staff must be aware of the principles set out in Non-Investment Products (NIPs) Code published by the Bank of England. Documentation must be kept in accordance with the Investments Procedural Manual.

- The transfer of funds will normally be actioned by CHAPS transfer through the banking system. Separate authorisation is required by a senior officer of the Council in order to release the payment.

67. Individual deal limits specified in *TMP1 Risk management* apply to all staff placing deals. Any borrowing or lending for periods greater than 364 days may only be actioned on the authority of the Senior Accountant (Pensions & Treasury Management) and one other member of the *Treasury Management Group*. Money may only be lent to institutions or funds on the *Approved List*.

TMP6 Reporting requirements and management information arrangements

68. The Service Director (Finance & Procurement) will ensure that regular reports are prepared and considered on the implementation of the Council's treasury management strategy and policies; on the effects of decisions taken and transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

69. Full Council will receive:

- an annual report on the strategy and plan to be pursued in the coming year
- a mid-year review
- an annual report on the performance of the treasury management function in the past year and on any circumstances of non-compliance with the Council's treasury management policy statement and TMPs.

70. The *Treasury Management Group* will receive regular monitoring reports on treasury management activities and risks and on compliance with and suggested revisions to policy. Members of the *Treasury Management Group* will be informed of any breach of the principles contained in TMP5.

TMP7 Budgeting, accounting and audit arrangements

71. The Service Director (Finance & Procurement) will prepare, and the Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with *TMP1 Risk management*, *TMP2 Performance measurement*, and *TMP4 Approved instruments, methods and techniques*.

72. The Service Director (Finance & Procurement) will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with *TMP6 Reporting requirements and management information arrangements*.

73. The Council accounts for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.
74. The impact of expected borrowing and investment activity is dealt with in the Council's budget book. Systems and procedures are subject to both internal and external audit and all necessary information and documentation is provided on request.

TMP8 Cash and cash flow management

75. Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Service Director (Finance & Procurement), and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a regular and timely basis, and the Service Director (Finance & Procurement) will ensure that these are adequate for the purposes of monitoring compliance with *TMP1(2) liquidity risk management*.
76. As outlined in TMP5, daily cash flow forecasts are prepared in accordance with the Investments Procedural Manual, and summarised weekly and annual forecasts are regularly provided to the *Treasury Management Group*.

TMP9 Money laundering

77. The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained.
78. All treasury management activity with banks other than the Council's own bank is actioned through CHAPS transfers to/from nominated accounts. Suspicions that a third party is attempting to involve the County Council in money laundering will be reported to the Group Manager (Financial Strategy & Compliance).

TMP10 Training and qualifications

79. The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.
80. The person specifications for the Senior Accountant (Pensions & Treasury Management) and the Investments Officer require a CCAB qualification and

other members of the treasury team have the option to be supported to attain professional qualifications from the Association of Accounting Technicians, the Chartered Institute of Public Finance and Accountancy or the Association of Corporate Treasurers. These professional qualifications will be supplemented by relevant training courses, attendance at seminars and conferences and access to CIPFA's Treasury Management Network and Technical Information Service for all team members.

81. The Senior Accountant (Pensions & Treasury Management) will recommend and implement the necessary arrangements. Requests and suggestions for training may be discussed at any time with the Senior Accountant (Pensions & Treasury Management) and also feature as part of the EPDR process.
82. The *Treasury Management Group* will ensure that board/council members tasked with treasury management responsibilities have access to training relevant to their needs and those responsibilities. Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

TMP11 Use of external service providers

83. The Council recognises that responsibility for treasury management decisions remains with the Council at all times. It recognises that there may be potential value in employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies.
84. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the responsible officer.
85. The Council currently uses four broking companies to act as intermediaries in lending and borrowing activity although it will also carry out this activity directly with counterparties. It does not currently employ the services of any specialist treasury management advisers. It subscribes to an on-line market information feed for Money Market and Gilt information and to Fitch Ratings for credit and support rating information.

TMP12 Corporate governance

86. The Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury

management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

87. The Council has adopted and implemented the key provisions of the CIPFA Code and reports are made in accordance with the approved policy. The Council's constitution includes schemes of delegation covering treasury management activities.
88. These measures are considered vital to the achievement of proper corporate governance in treasury management, and the responsible officer will monitor and, if necessary, report upon the effectiveness of these arrangements.