



Report to Cabinet

Subject: Impact of Nottinghamshire County Council's service reviews in Gedling

Date: 13 January 2011 (deferred from 2 December 2010)

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1. Purpose of the Report

- To inform members of those elements of Nottinghamshire County Council's proposed programme of service reviews that may impact on Gedling Borough and on Gedling Borough Council

2. Background

Nottinghamshire County Council is facing significant financial difficulties.

In order to address these issues, it is reviewing each and every service it provides to identify options to:

- **provide the service in a different way** and for less money by working with other public, private and voluntary organisations
- **raise extra income** by focusing on services that are well regarded and in demand
- **cease some services** which are provided by other organisations.

Details of these reviews were published on Nottinghamshire County Council's website in October.

The reviews fall into three categories. Category A reviews include proposals for savings which the County Council understands it can choose to make without reference to or support from external partners. Category B and C schemes

involve changes which the County Council feels require consultation, including with partners. For Category C schemes, such consultation is formal and statutory.

For schemes requiring consultation, the County Council has indicated that consultations will generally cover a 12 week period to 21 January 2011. However, for some proposals, the County Council has indicated that it may need to make decisions before that date – these will be reported on the County Council website and comments made up to the point at which decisions are made will be taken into account.

Service reviews across all three categories have potential impacts on the Borough. Some may impact directly on the Borough Council's activities – in some cases the impact is likely to be financial.

Heads of Service have therefore reviewed the County's Service Review proposals to assess these impacts and their summarised comments are set out below.

Where formal consultation is being offered on a service review, these are being progressed separately by the relevant Head of Service, in consultation with the appropriate portfolio holder.

3. Possible impact of Service Reviews – by department

3.1 – Customer Services and Organisational Development

The main area of concern relate to the County Council's proposals to significantly reduce **Supporting People** funding (housing-related support). Supporting People had previously been a ring fenced grant – the removal of the ring fence gives the County Council the opportunity to use the funding for other purposes.

Supporting People is projected to provide services to the value of £23.3 million across Nottinghamshire in 2010/11. This level of spend was leading to a medium term deficit and plans were in place to bring spending down to budgeted levels (of around £22 million).

However, the County Council is consulting on proposals which would remove a minimum of £10 million from the budgeted level of expenditure. Other options under consideration reduce spending by £12.5 million or £15 million. These represent reductions of between 45% and 68% of the current budget. The County Council argues that all of the spending involved is discretionary; that it needs to use the funding available to it to protect its own statutory services and that historic levels of Supporting People spending are higher in Nottinghamshire than in similar areas.

Seven options have been put forward for consultation by the County Council, all of which could have a significant impact. Services facing large scale budget reductions include homelessness support (especially for those in short term supported housing), domestic violence support (including refuge provision); support for young people and support for older people in sheltered housing. Under all 7 models, Supporting People funding for ex-offenders; drug and alcohol users and gypsies and travellers would cease, placing further strain on reduced homelessness budgets.

The specific impact on the Borough Council of these changes is to make it more difficult for the Council to house vulnerable people. Quite commonly people who need social housing have need for other related support. If that support (largely funded at present by Supporting People) is not available to help these clients to sustain their tenancies, landlords – including Housing Associations - may well refuse to offer them tenancies. For those currently receiving support, its withdrawal increasing chances of their tenancy failing. Proposed reductions to the homelessness support budget range from 64% to 89% of a total current budget of £4,817,000 across the county.

In fulfilling its statutory duty to finding housing for those in these situations, it is possible that the Borough Council will have to resort to greater use of bed and breakfast accommodation. Such accommodation can often be unsatisfactory and expensive and represent an open ended cost to the Council. It also has the potential to undo much if not all of the Council's good work to reduce use of bed and breakfast accommodation in recent years.

In proposing these changes, the County Council is leaving district councils with little option other than to take on additional costs, as the districts are statutorily required to find homes for homeless people assessed to be in priority need. Those additional costs are difficult to quantify, although research suggests that the cost to the public purse (not just to the Borough Council) of each incidence of homelessness is around £26,000¹, while the estimated cost to district housing authorities of each case is around £5,000. Preventative work led by the Council and supported by Supporting People funding has seen the number of homelessness cases (measured by acceptances) fall from 135 in 2004/05 to 46 in 2009/10.

Other areas of particular concern include withdrawal of support for people experiencing domestic violence, including women's refuges (refuges offer safe places where women who have experience domestic violence can be protected and supported to move on to other accommodation). Reductions to this service range from 63% to 84% of a current budget of £809,000 across the county. This could lead to an already vulnerable group experiencing more distress if safe accommodation cannot be found.

¹ "Work it out" Business Action on Homelessness, as quoted in Framework briefing note

Changes to Supporting People are classed in Category C and are subject of formal statutory consultation. The Council will be taking up the opportunity to comment on the proposals.

Other reviews potentially affecting this department include changes to the County's **Welfare Rights** budget. In many cases the ability to sustain a tenancy depends on the client having access to all the benefits to which they are entitled. Welfare Rights is an organisation to which the Council refers both homeless people and those at risk of homelessness, and the advice received whether about benefits entitlement or other tenancy issues can prevent homelessness. The withdrawal of this service could lead to more cases of homelessness presenting to the Borough Council.

3.2 – Direct Services

3.2.1 - Waste management – Reductions are proposed in opening hours at most Household Waste and Recycling Centres. However, the Calverton site is not affected.

The County proposes to remove Waste Performance Credits currently paid to district councils. This will reduce income paid to the Borough Council by around £50,000.

3.2.2 – Parks and Street Care – The County Council proposes cuts to highway environmental maintenance budgets, cutting the frequency of grass cutting and weed killing. This service is one the Borough Council currently provides to the County Council so would impact on income which would need to be offset by a reduction in expenditure. In addition to the number of grass cuts paid for by the County, the Council has funded through its revenue account (approx £30k) extra grass cuts to maintain the appearance of the Borough.

Indications are that the County will be outsourcing highway maintenance from April 2012 and therefore highway environmental works such as grass cutting and weed killing will be undertaken by the new highway network operator from this date. Consideration is therefore being given as to whether to continue with this arrangement in 2011/12.

The County Council is proposing significant reduction to its contribution to ranger services at **Bestwood Country Park**, prioritising Rufford and Sherwood Country Parks from the available resource for this service. It suggests alternative management arrangements will need to be considered for other country parks, such as Bestwood. This could result in the withdrawal of the site based ranger service, with potential impacts on maintenance standards, anti social behaviour and vandalism.

3.2.3 – Technical Services – Proposed increased highway fees and charges will increase the cost of Christmas Lighting licence application and other application fees for use of highway land (such as Eagle Square) payable by the Borough Council.

Reductions to highway maintenance drain clearing budgets could result in more localised flooding after heavy downpours.

The County will also be reviewing Emergency Planning arrangements with the districts over the next 12 months. Those changes have the potential to shift some of the cost of the service to district councils.

3.3 – Legal and Democratic Services

Service reviews are likely to impact on **Neighbourhoods and Crime** work in particular.

Proposed reorganisation of youth offending and preventative provision for youth crime and Anti-Social Behaviour(ASB) and reductions in funding for community safety are likely to have the highest impact – the former could reduce the effectiveness of preventative measures and lead to increased levels of youth crime, while the latter is likely to see remaining funding concentrated at county-wide level, leading to a loss of funding for the South Nottinghamshire Community Safety Partnership currently used to address innovation, Anti-Social behaviour and Serious Acquisitive Crime responses etc. Coupled with possible loss of Area-Based Grant, the South Nottinghamshire Community Safety Partnership could see funding reduced by £500,000 compared with current year funding.

The County Council is also proposing significant funding reductions for **voluntary and community sector** umbrella bodies - such as Gedling CVS – and to some voluntary sector service providers – these include Citizen’s Advice Bureaux. These could impact on engagement of, involvement of and support to local community groups, especially the most deprived areas of Borough.

Other areas where reductions are proposed include health promotion, trading standards, sports and arts grants, Connexions service and Extended Childrens’ Services, though the short term impact of these changes is likely to be low.

3.4 - Leisure Services

The proposal to allocate the **Joint Use Leisure Centres** revenue budget through the Local Management of Schools (LMS) formula should safeguard the level of funding but new agreements will need to be put in place to ensure that these amounts are paid to the Borough Council. Proposed reductions to maintenance allocations could lead to a deterioration in building quality – this could place

increased pressure on Borough Council budgets should it wish to maintain them or result in the loss of use and therefore community use and income.

Reductions in County **Play** budgets will remove support to the Play Days in Carlton and Arnold, which means these may not take place in 2011. Grant to the Gedling Play Forum is to be reduced, which is likely to impact on the support and events this group can provide. The Group may also need to charge more for their services, impacting on Gedling BC organised events.

In **Sport**, training for volunteers in coach education including safeguarding is to be reduced, which could impact on the number of qualified coaches available to clubs and therefore reduce the number of young people able to participate in sport.

3.5 – Planning and Environment

The most significant direct financial issue for the Borough Council in this area is the proposed withdrawal of “top-up” funding for **Disabled Facilities Grants** (DFGs), where the grant needed to improve houses exceeds £30,000. The likely effect of this change is to place greater pressure on DFG funding, with potentially fewer grants awarded, if the district councils are being asked to pick up these additional costs, which in 2010/11 to date have been over £24,770. This is one of the proposals on which the County Council is consulting formally with partners and a response is being prepared.

In **Development Control**, the reductions being considered by the County Council, which are around the reduction of staff available to undertake the statutory consultation on planning applications, are likely to lead to delays in the determination of applications, in that it is likely districts will have to wait longer for comments and advice on matters including trees, highways, archaeology and minerals/waste matters. Alternatively, applications could be determined without comments on these issues being made within statutory timescales. This could potentially impact on the quality of what gets built on the ground or the ability to negotiate section 106 agreements which adequately fund works necessary to overcome what would otherwise be a reason for refusal of planning permission. Engagement in **Public Protection’s** work on air quality management may be affected by reductions in transport planning budgets, through reductions in County staff resources to advise on these issues, especially relating to the Air Quality Action Plan for the A60.

In **Food, Health& Safety and Licensing**, there are potential impacts arising from staffing reductions in Trading Standards, particularly where officers currently work concurrently on issues such as contaminated foods and chemical contaminated products. The number of complaints reported to the district food authorities is expected to increase as a consequence of Trading Standards reducing their capacity to the public.

On **Climate Change**, reduced staff resource in County emergency planning will impact on GBCs ability to adequately plan for adaptation to climate change, while loss of expertise and capacity in the Environmental Awareness team will have a further damaging affect on the ability to address climate change across the county and in the Borough.

3.6 – Strategy and Performance

County Council funding to support **Local Strategic Partnerships** is proposed to be withdrawn – the Borough Council will lose £9,000 p.a as a result of this. The County Council proposes to refocus its partnership support at county level, which could put at risk successful joint working at district partnership level, important for the delivery of partnership projects in priority neighbourhoods.

Many of the reductions referred to in Development Control also impact on **Planning Policy**. In addition, significant county reductions in Conservation could have a major effect on the availability of advice and support. The Borough Council has recently commissioned the County Council to deliver Conservation Area Appraisals - mindful of the savings proposed here, the Council has sought assurances that the arrangement will be honoured and has received verbal assurances that it will be.

Significant reductions are planned in the County Council's **Economic Development** service, though the impact of these is more likely to be felt in the north of the county.

The main impact for **Strategic Housing** relates to Supporting People reductions, as highlighted in 3.1 above.

3.7 – Corporate Services

Corporate Services report no direct impact on services in their area, but does expect indirect impact arising from the changes affecting other services, should the County's proposals be progressed.

4. Resource Implications

If implemented, the proposed Service Reviews could have significant resource implications for the Borough Council.

In some areas, those implications are directly financial – for example, with regard to Recycling Credits withdrawal and increased costs likely to arise from reduced support for homelessness through the Supporting People programme.

It is difficult to quantify the precise financial impacts until the County Council makes its decisions and until further details of the proposals are known but, as a minimum, the proposals will reduce Borough Council income by £59,000.

Unavoidable increased costs arising from Supporting People and Disabled Facilities Grants changes will add to that figure.

Implications are being built into the Borough Council's financial projections as far as possible but it will be some time before they can be factored into the Medium Term Financial Strategy with any degree of certainty. Where County Council reductions directly affect service provision, it has been assumed that service provision will be reduced to a level commensurate with County Council funding.

In other areas, the direct resource implications are more difficult to assess but may involve additional work for the Borough Council employees. There are also a number of areas where the impact could be a deterioration in the service offered to Borough Council customers resulting from reduced service offered to the Borough Council by the County Council, which could impact on the Borough Council's reputation.

5. Recommendation

Members' instructions are requested.

Responses to consultation on specific proposals are being handled by the relevant lead officers in consultation with the relevant portfolio holders