

WARDS AFFECTED: All

Item No

AUDIT COMMITTEE
2 March 2012

REPORT OF THE DEPUTY CHIEF EXECUTIVE & CORPORATE DIRECTOR FOR RESOURCES

AUDIT COMMISSION – JOBS PLAN REVIEW ACTION PLAN

1. PURPOSE OF THE REPORT

This report outlines the City Council's response to the Audit Commission's report on the City Council's Jobs Plan.

2. RECOMMENDATION

The Committee endorses the Council's response to the Audit Commission's recommendations as attached in **Appendix 1**.

3. REASONS FOR CONSIDERATION

The Audit Commission's Jobs Plan Review was considered at the 6 January 2012 meeting of this Committee. The Committee noted the report and required that an action plan in response to the recommendations be submitted to the next meeting of the Committee.

4. BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

None.

5. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

None

Carole Mills-Evans
Deputy Chief Executive & Corporate Director for Resources

JOBS PLAN REVIEW – ACTION PLAN

Recommendation	Comments	Responsibility	Priority	Date	Status
<p>1. The Council should take steps to ensure the Council's Constitution, Financial Regulations and standing orders are being consistently complied with in relation to the procurement of contracts. In particular:</p> <ul style="list-style-type: none"> • all contracts linked to grant funding should be reviewed to ensure that they have been appropriately authorised; • all Corporate Directors and Portfolio Holders should be reminded of their responsibilities (in particular authorisation limits) in relation to the letting of contracts; and • all staff should be reminded of the need to fully document and record decisions including all associated discussions linked to the decision making process. 	<p>(a) Internal Audit to review the authorisation mechanisms for contracts linked to grant funding.</p> <p>(b) When acting as accountable body, Corporate Directors will allocate, to named colleagues, responsibility for ensuring contracts linked to grant funding are properly authorised. The Chief Finance Officer (CFO) will write to Directors and Finance Business Partners to reinforce this requirement.</p> <p>(c) Scope of annual accountability letters* (to senior managers) to be expanded to include general governance responsibilities including those relating to financial regulations, contract procedure rules, procurement, grant funding and the letting of contracts.</p> <p>(b) Reminder email to Directors setting out their responsibilities to comply with the Council's Constitution, Financial Regulations, Contract Procedural Rules and Corporate Financial procedures.</p> <p>NOTE: These documents are updated as required and used to ensure appropriate governance arrangements are included within contracts.</p>	<p>Head of Internal Audit (HOIA)</p> <p>Deputy Chief Executive & Corporate Director for Resources (DCEX/CDR) (CFO)</p> <p>CFO</p> <p>CFO</p>	<p>High</p> <p>High</p> <p>High</p> <p>High</p>	<p>31.05.12</p> <p>29.02.12</p> <p>31.03.12</p> <p>29.02.12</p>	<p>Planning phase</p> <p>Complete</p> <p>In draft</p> <p>Complete</p>

JOBS PLAN REVIEW – ACTION PLAN (continued)

Recommendation	Comments	Responsibility	Priority	Date	Status
	(e) Reminder email to Directors about the need to record contract decisions made and to notify interested parties of these decisions.	CFO	High	29.02.12	Complete
	(f) Reminder email to Finance and HR Business Partners regarding the importance of giving specific advice to colleagues across the council in relation to contract governance in light of this particular matter.	CFO	High	29.02.12	Complete
	(g) Follow up discussion at Finance and HR Business Partner team meetings	HOIA/ Directors of Strategic Finance And HR & Transformation	High	06.13.12	Scheduled
2. The Council should take further steps to reinforce the wider aspects of good governance, particularly in relation to any potential conflicts of interest, encouraging openness and transparency at all times.	(a) The CFO will also refer to this issue in the annual accountability letters* to all senior colleagues as described above.	DCEX/CDR	High	31.03.12	In draft
	(b) The Monitoring Officer (MO) will write to Councillors to confirm authorisation limits and reiterate the importance of registering and raising actual and potential conflicts of interest in day to day business operations of the Council.	Director Legal & Democratic Services (MO)	High	31.03.12	In draft

JOBS PLAN REVIEW – ACTION PLAN (continued)

Recommendation	Comments	Responsibility	Priority	Date	Status
3. The Council should consider referring the Portfolio Holder's possible breach of paragraph 3(2)(d) of the Code of Conduct to its Standards Committee.	<p>(a) On 6 January 2012 the Audit Committee resolved that the circumstances outlined in the report be referred to the Monitoring Officer as a complaint under the local determinations regime.</p> <p>The complaint is now progressing within the local determination regime.</p>	Director Legal & Democratic Services	High	28.02.12	In progress
4. The Council should learn from the concerns raised by partners in relation to these two funding programmes and seek to engage more transparently in the future.	<p>(a) Active engagement with partners will be sought. For significant partnerships, a question relating to this issue will be built into the annual partnership health check, undertaken in the summer. For wider partnerships, this issue will be flagged up by an article in the One Nottingham newsletter.</p> <p>(b) The process for complaints reporting is currently being revised as part of the Citizen First Programme. This will be widely publicised on and after its launch in June 2012. A 'Raise a Complaint' button has already been installed on the front page of the intranet.</p>	Nottingham Plan Performance Manager/ Director One Nottingham/ Internal Audit	Medium	31.08.12	Scheduled
		Internal Audit/Head of Revenues Benefits & Welfare Rights	Medium	30.06.12	Scheduled

* Accountability letters are an established mechanism that has been used in the last three years. Formal letters are sent by the CFO to senior budget managers (ie: Corporate Directors, Directors, Heads of Service) setting out budget levels and strategic choices along with relevant responsibilities. Colleagues sign and return those letters formally acknowledging responsibility. The letters are sent out in phases in March following the debate and approval of the MTFP at City Council.

NOTE – some of the issues referred to above have been/will be addressed in combined emails, rather than separate communications.