

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:	4184
Author:	Gary Robbins
Department:	Strategy and Resources
Contact:	Theresa Channell (Job Title: Head of Corporate and Strategic Finance, Email: theresa.channell@nottinghamcity.gov.uk, Phone: 01158763649)
Subject:	Review of Financial Regulations
Total Value:	£35,000 (Type: Revenue)
Decision Being Taken:	To grant dispensation from Contract Procedure Rule 4.1.1, in accordance with Financial Regulation 3.29, to approve a direct award of a contract to Price Waterhouse Cooper to review the Council's Financial Regulations and Scheme of Delegation in response to the issues raised in the Ministry of Housing, Communities and Local Government (MHCLG) non-statutory review into the Council.
Reasons for the Decision(s)	A rapid non-statutory review was carried out last year on behalf of the MHCLG following a Public Interest Report into the Council's governance of Robin Hood Energy. The Council has produced a Recovery and Improvement Plan in response to the issues raised in the review. One of the workstreams of the plan covers the Council's constitution. 2 of the actions identified within this workstream are to review the Council's Financial Regulations and its Scheme of Delegation in the first quarter of 2021/22.
Other Options Considered:	1) Not undertaking the review - the review is a workstream within the Council's Recovery & Improvement Plan so this is not considered a viable option.2) Undertake the review using internal resources - the Council does not have the internal capacity and expertise to deliver this review within the required timescales. The use of external consultants enables the Council to draw upon individuals with experience of this activity in other local authorities ensuring that the outcome is based on best practice across the sector and provides an independent perspective.
Background Papers:	None

Published Works:	Nottingham City Council Recovery & Improvement Plan 2021-24
Affected Wards:	Citywide
Colleague / Councillor Interests:	None
Dispensation from Financial Regulations:	Yes
Use of Consultants	Number of Days:17.50
	Rate per Day:2000
	Total value:35000
	Start date:29/03/2021
	End date:16/04/2021
Reason for using a consultant:	The Council does not have the capacity or expertise internally to complete this work within the timescale required. Using a consultant allows the Council to utilise their networks and expertise to give the review a wider base and provides an independent view on the Council's Financial Regulations and scheme of delegation
Other options considered:	1. Not carrying out the review - this is a workstream of the Recovery and Improvement Plan so is not a viable option2. Using internal resources - the Council does not have the expertise or capacity to complete this activity within the required timescale.
Name of consultant:	Price Waterhouse Cooper
Reason for selection?	The chosen consultants have experience in this area and an extensive network upon which to draw to undertake the review and a knowledge of the Council through previous work that they have carried out for the authority.
Has the consultant previously completed work for the City Council?	Yes
Specific activities to be undertaken by the consultant are:	The consultants will carry out a review of the Council's Financial Regulations and scheme of delegation against those of other local authorities. They will produce a report with recommendations for improvements and an action plan for their implementation.
Period of engagement:	29 March - 16 April 2021
By what process was the consultant selected?	Direct appointment
Consultations:	Those not consulted are not directly affected by the decision.
Crime and Disorder Implications:	None

Equality:	EIA not required. Reasons: No changes to services, policies or functions
Social Value Considerations:	N/A
Relates to staffing:	Yes
Decision Type:	Portfolio Holder
Subject to Call In:	<p>No</p> <p>The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.</p>
	Person Consulted: N/A
	Consultation Date: 01/04/2021
	The call-in procedure does not apply because the decision has already been implemented
Advice Sought:	Legal, Finance, Procurement, Human Resources
Legal Advice:	This report raises no significant legal issues based on the information provided. The value is below the applicable financial threshold in the Public Contracts Regulations 2015 so a direct award is permitted. A contract should be put in place with the chosen consultant with a clear scope of the services required and the output of the review to be delivered by the Consultant. It is understood that the review must be completed within short timescales and therefore the dispensation is supported. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 30/03/2021

Finance Advice:

This decision seeks approval for the appointment of a consultant to review the Council's Financial Regulations in response to the issues raised in MHCLG non-statutory review into the Council. The total cost of this decision £0.035m and will be funded from the Resilience & Transformation reserve in full therefore no financial pressure will occur if this decision is approved. If any extension to the contract length and financial value above what is included in this decision is needed then further approval will be required via the relevant process at the time.

The Council has processes in place to ensure that the IR35 rules are complied with in its engagement of consultants, these will need to be followed for this engagement.

Alternative options were explored including resourcing internally but were deemed unviable at the present time due to the lack of capacity available and expertise within the council to deliver this piece of work within the required timescales.

Dispensation from Contract Procedure Rule 4.1.1 in accordance with Financial Regulations 3.29 to make a direct award of the contract via is sought.

Advice provided by Philip Gretton (Finance Analyst) on 26/03/2021.

Procurement Advice:

The decision to be taken raises no significant procurement concerns. Advice provided by Paul Ritchie (Lead Procurement Officer) on 26/03/2021.

HR Advice:

I note that an exploration of internal resources has been considered but the Council does not have the skills or expertise required and the use of a consultant will therefore be necessary in order to meet the short timescales involved. Established processes for the use of consultants will need to be followed but otherwise this decision raises no other HR concerns and is therefore supported. Advice provided by Matthew Hackney (Resourcing Consultant) on 31/03/2021.

Signatures:

David Mellen (Leader/ PH Regeneration, Schools, Communications)
SIGNED and Dated: 09/04/2021
Sam Webster (PH Finance, Growth and City Centre)
SIGNED and Dated: 14/04/2021
Clive Heaphy (Chief Finance Officer/CD for Finance & Resources)
SIGNED and Dated: 05/04/2021
Clive Heaphy (Chief Finance Officer/CD for Finance & Resources) - Dispensation from Financial Regulations
SIGNED and Dated: 05/04/2021
Chief Finance Officer's Comments: