

Nottingham City Council Delegated Decision



Nottingham
City Council

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| Reference Number: | 4438 |
| Author: | Marie Read |
| Department: | Finance and Resources |
| Contact: | Marie Read (Job Title: HR Consultant (Departmental), Email: marie.read@nottinghamcity.gov.uk, Phone: 01158761401) |
| Subject: | Finance Resource |
| Total Value: | £75,000 (approximately) (Type: Revenue) |
| Decision Being Taken: | <ol style="list-style-type: none">1. To engage a consultant until 30 November 2021, to backfill the post of Head of Strategic Finance and Deputy Section 151 Officer, pending a wider review of the Finance Division.2. To engage the consultant via a fully compliant framework agreement. |
| Reasons for the Decision(s) | <p>Note: (19/10/2021) Due to delays beyond the control of the Author, this is now a retrospective request as the contract with Penna was signed on 17 August 2021 to engage services for the said period and the consultant (Lisa Kitto) commenced in post on 26 August 2021. There have been a number of significant changes to the senior management of the council over the past 12 months. A recent restructuring of the Council's Senior Management team saw 4 Corporate Director positions created and these have now been recruited to.</p> <p>The Corporate Director for Finance & Resources has responsibility for the Finance Division, which includes the following posts 1) Head of Commercial Finance 2) Head of Corporate Finance (Deputy Section 151 Officer) and 3) Head of Audit & Risk.</p> <p>The Head of Corporate Finance has recently resigned which impacts significantly on senior capacity, and in response to the Council's transformation work which is currently underway presents an opportunity to review the current structure in line with the DMA (Decision Making Accountability) process. Filling the role on an interim basis allows also for handover from the current post-holder and allows for full and proper consideration of the future needs before recruiting to a permanent position.</p> <p>This also now presents an opportunity to begin to harness the skills required for leading the finance function through a programme of transformational change, for which internal colleagues are not ready at this time.</p> |

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| Other Options Considered: | A direct recruitment and appointment exercise has been considered, however, the long term management structure is under review as part of the organisational structure and design work and so this is not supported. |
| Background Papers: | None |
| Published Works: | None |
| Affected Wards: | Citywide |
| Colleague / Councillor Interests: | None |
| Use of Consultants | <p>Number of Days:67</p> <p>Rate per Day:1070</p> <p>Total value:75000</p> <p>Start date:26/08/2021</p> <p>End date:30/11/2021</p> |
| Reason for using a consultant: | <ol style="list-style-type: none"> 1. The need to replace the departing Head of Corporate Finance role to ensure we have the required senior management capacity to deliver against the Council's objectives this financial year including Deputy Section 151 Officer duties. 2. Delivery of our recovery and improvement plan will require the Council to have experienced financial leadership who can help transform the organisation and its finances. 3. The organisation is in the process of reviewing its structures and so a senior, permanent appointment is not considered to be the right option at this time. |
| Other options considered: | <ol style="list-style-type: none"> 1. to do nothing, rejected as this leaves a significant capacity gap for the Finance Division and does not support the pace required for change. 2. to make a permanent appointment, rejected as the organisation is in the process of reviewing its structures and so a senior, permanent appointment is not considered to be the right option at this time. |
| Name of consultant: | Lisa Kitto (Penna) |
| Reason for selection? | see above |
| Has the consultant previously completed work for the City Council? | No, not according to provisional list |
| Specific activities to be undertaken by the consultant are: | To act as the Council's Deputy Finance Officer, Section 151 Officer pursuant to the Local Government Act. To lead the Finance Division, ensuring appropriate management of performance, people, budget and other resources. |
| Period of engagement: | 8 months |

By what process was the consultant selected?

Procurement framework

Consultations:

Date: 08/07/2021

Chief Finance Officer: Clive Heaphy

Decision progressed on behalf of the CFO, who is supportive of the proposal and manages the resource.

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications:

No implications arising from the decision to be taken.

Equality:

EIA not required. Reasons: No change to service, policies or functions proposed at this point.

Relates to staffing:

Yes

Decision Type:

Portfolio Holder

Subject to Call In:

No

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.

Person Consulted: N/A

Consultation Date: 20/10/2021

Retrospective decision

Advice Sought:

Legal, Finance, Procurement, Human Resources

Legal Advice:

As the proposal is to appoint a consultant through a consultancy/agency arrangement this will be subject to compliance with public procurement requirements. It is noted that the intention is to use a framework to award a contract.

Subject to compliance with public procurement legislation, and IR35 requirements, this decision raises no significant legal concerns.

Advice provided by Naomi Vass (Senior Solicitor) on 16/08/2021.

Finance Advice:

This decision seeks approval to engage a consultant until 30th November 2021, to backfill the post of Head of Strategic Finance and Deputy Section 151 Officer, pending a wider review of the Finance Division.

The cost of this decision is expected to be up to £0.075m, calculated at a day rate of £1070 over the 67 anticipated working days until 30 November 2021, however the final spend will be dependent on the actual number of days worked. This will be part funded from within the Finance Division using the remaining Head of Strategic Finance and Deputy Section 151 Officer budget of £0.049m. The remaining £0.026m is currently unfunded and will be reported as an in-year over spend. Mitigation should be sought from within the Finance Division to ensure this does not materialise at financial year end. If full mitigation cannot be sought from within the Finance Division then it should be sought from across the wider Finance & Resource Directorate. The current Finance & Resources forecast as at period 6 (September 2021) is an underspend of £0.647, which suggests this additional cost can be absorbed.

The role and criteria is expected to work within IR35 legislation therefore is classed as a use of consultant therefore the additional approval process for use of consultants is needed and contained within this decision.

Advice provided by Phil Gretton (Strategic Finance Business Partner) on 19/10/2021.

HR Advice:

This proposal is supported. As outlined in the report there are currently reviews taking place across the organisation (DMA Decision Making Accountability). This will allow space to review how the division can move forward and consider options for various positions in terms of progressing permanent appointment.

Following conversations with the Corporate Director, there is an urgent need to back-fill the post following the post-holders resignation with effect from mid-August. Direct external recruitment plus notice periods would not be a viable option due to the need for this strategic work supporting the Council Recovery & Improvement Plan needing to move forward at pace. The engagement of an interim would solve this and they would work under IR35 and therefore is no risk to the Council in terms of employment rights and associated payments with direct employment and continuous service risks. An appropriate process for assessment should be undertaken and a candidate pool sought which is representative of Nottingham Citizens, in line with the EDI Strategy.

Advice provided by Marie Read (HR Consultant (Departmental)) on 03/11/2021.

Procurement Advice:

The proposal involves using a framework to make an appointment. The framework has specific call-off terms for awarding contracts. Provided the framework process is followed, the award of contract would be compliant with procurement law and therefore there would be no significant Procurement concerns.

Advice provided by Paul Ritchie (Procurement Manager) on 09/07/2021 & confirmed on 19/10/2021.

Signatures:

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| David Mellen (Leader/ PH Strategic Regeneration Communications) |
| SIGNED and Dated: 15/11/2021 |
| Sam Webster (PH Finance and Resources) |
| SIGNED and Dated: 22/10/2021 |

Clive Heaphy as Chief Finance Officer (Chief Finance Officer)

SIGNED and Dated: 20/10/2021