

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

4837

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Finance and Resources

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Subject:

Finance Improvement Programme PWC Phase 2B

Total Value:

up to £145,589 plus up to £11,647 capped expenses (Type: Revenue)

Decision Being Taken:

1. To approve funding to meet the cost of works to be delivered by PWC Phase 2B in support of delivering certain key aspects of the Finance Improvement Plan. 2. To approve the use of the Financial Resilience Reserve to fund this activity. This will be in the form of reallocation of unused funding previously approved from the FRR to fund interim staff in Finance via DDM 4718 and 7400, and so will not create an additional call upon the FRR.

The Independent Improvement and Assurance Board has set out a number of requirements for improvement in the financial management and governance arrangements within the Council. A comprehensive Financial Improvement Plan is evolving and taking shape ready for publication in the new year. The Plan is built around four key themes which underpin the CIPFA Financial Management Model of best practice: Leadership, People, Process, Stakeholders.

In April 2022, the Council commissioned support from PWC LLP as its strategic partner. To date PWC have carried out and completed work in relation to Phase 1 (DDM4638). Further work is split into two phases: Work order Phase 2A and Work Order 2B which is split across 3 workstreams as summarised below at a total cost of £145,589 plus up to £11,647 in expenses. The 3 workstreams are summarised below:

- 1. Budget Management and Monitoring Dashboard reporting and embedding - Providing project management and business analysis support to develop, set up and handover a new Business Intelligence reporting dashboard for budget holders and finance to work together to focus on reviewing and assuring the Section 151 officer as to the robustness of the in year forecasts. The availability of the dashboard will help to start informing and enabling challenge of Period 9 monitoring and improving forecasting. This will be embedded by Period 12 and for the start of the 2023/24 financial year will aid significant improvements in data quality and focused budget management challenge. PWC will support the Council in embedding the solution and supporting governance and prioritising opportunities to further develop and enrich the dashboard functionality. Financial Systems officers will work with PWC to support the building in house capabilities and upskilling staff to be able to develop and maintain a suite of financial reporting dashboards providing enhanced tools over 2023/24.**
- 2. Initial Establishment Control implementation - PWC will provide project management and business analysis support to start implementing the recommendations from their Phase 2A work in this area including support to reconcile the establishment baseline, agreeing the overall model for managing the budgeted establishment moving forward including how to manage any changes. This is a critical development to address shortcomings in existing management and control arrangements and will enable more robust and integrated management and reporting of employee costs, and engaging budget holders and service managers in more effective processes and procedures to ensure the staffing budgeted establishment is maintained within Oracle Fusion.**
- 3. Initial Procure to Pay (P2P) Implementation support - PWC will work with council officers to start developing a comprehensive project plan and the implementation of prioritised recommendations arising from their Phase 2A work in this area including (P2P, Purchasing Cards and CPAs). This will particularly focus upon integrating the end to end process improvements between Procurement, Accounts Payable and service directorates.**

The 3 workstreams are expected to be completed before the end of March 2023 and will contribute significantly towards the improvement actions contained within the overall Finance Improvement Plan and will help start bring about a 'positive shift' in the way finances are managed and governed and reported across the Council.

Other Options Considered: To do nothing: this option is rejected as there is a clear and significant requirement of the Council's Non-Statutory Review to bring about improvements in financial management. At this time, delivering the breadth of improvement actions is not feasible within existing staff resources and expertise. The 3 workstreams are focused on supporting the Council to ensure its financial sustainability.

Background Papers: NONE

Published Works: NONE

Affected Wards: Citywide

Colleague / Councillor Interests: NONE

Consultations: Date: 12/12/2022
Chief Finance Officer: Mr Clive Heaphy
The engagement with PWC LLP has been led by the Section 151 officer since inception and he has fully endorsed the specification of works in Phase 2B in support of the Financial Improvement Plan

Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: NONE

Equality: EIA not required. Reasons: This decision does not represent proposals for a new or changing policy, service or function.

Social Value Considerations: The procurement is covered by the strategic partnership entered into by the Council with PWC LLP

Any implications affecting IT: Yes

Decision Type: Portfolio Holder

Subject to Call In: Yes

Call In Expiry date: 03/02/2023

Advice Sought: Legal, Finance, Procurement, IT

Legal Advice: There are no significant legal concerns arising from this report, subject to the services of PWC being secured through a framework and any obligations or requirements of that framework being complied with by the Council.
Anthony Heath, Senior Solicitor, Contracts and Commercial, 16th January 2023.

Finance Advice: This decision seeks to approve funding of £145,589, plus up to £11,647 capped expenses totalling £157,236, in order to meet the costs of PWC Phase 2b in delivering the Finance Improvement Plan. This would be funded from the unused element of the Finance Resilience Reserve which was committed for funding interim staff (DDM 4718 and 4700). Monthly costs are monitored and there will be an unused element which will cover this amount. Advice provided by Nishil Rabheru (Strategic Finance Business Partner) on 22/12/2022.

IT Advice: The IT Service support the proposals contained within this delegated decision.
The IT Service will support the actions being undertaken by the Council with the assistance of PWC in response to the requirements of the Improvement and Assurance Board. As projects emerge and become visible to the IT Service support will be provided on the usual project basis with support through the regular Technical Design process to ensure conformance with the Council's technical standards.
Advice provided by Paul J. Burrows (IT Change, Projects & Strategy Manager) on 21/12/2022.

Procurement Advice: The proposal involves using a framework to purchase the services of PWC for Phase 2B in support of delivering the Finance Improvement Plan. 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 Louise Dobson (Business Support) on 18/01/2023.

Signatures
Adele Williams (Portfolio Holder for Finance)
SIGNED and Dated: 26/01/2023
Ross Brown (Corporate Director of Finance & Resources)
SIGNED and Dated: 24/01/2023