

## Audit Committee – 28 July 2023

<b>Title of paper:</b>	Improvement and Assurance Board Governance Instructions - Update	
<b>Director(s)/ Corporate Director(s):</b>	Ross Brown – Corporate Director, Finance and Resources Malcolm Townroe – Director of Legal and Governance and Monitoring Officer	<b>Wards affected:</b> All
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<b>Other colleagues who have provided input:</b>		
<b>Does this report contain any information that is exempt from publication?</b> No		
<b>Recommendation(s):</b>		
1.	That Audit Committee note the update on the Governance Instructions	

### 1. Reasons for recommendations

- 1.1 To inform and provide assurance to the Audit Committee on the progress made in implementing the Improvement and Assurance Board's (IAB) instructions relating to Governance.

### 2. Background

- 2.1 In February 2023 the IAB issued 39 instructions to Nottingham City Council. These instructions had the weight of statute and sought to continue the improvement work at the pace and in the direction required by the IAB. Five instructions related to the governance workstream. These had varying deadlines as follows:

1. Operate an efficient and effective decision making process – deadline 30 June 2023
2. Application, in full, of the Council's Officer/Member protocol – deadline 30 June 2023
3. Regularise, in a consistent way, good communication and engagement with stakeholders – deadline 30 April 2023
4. Consolidate best practice in governance relating to all partnership working – deadline 30 June 2023
5. Finalise the implementation of the restructured commissioning and procurement system – deadline 31 March 2023

## 2.2 **Instruction 1 - Operate an efficient and effective decision making process**

Working with colleagues from the Change Academy programme a review was conducted of decision making which included discussions with senior officers, and departmental management teams where feedback was obtained on decision making, invitations to Executive Councillors to provide feedback, desktop reviews of practice in other Core Cities, analysis of data from the delegated decisions system and the reports management system. Although decisions and reports were consistently found to meet Constitutional requirements areas were identified for further action by 30 June.

## 2.3 The following key actions have been taken in response to the first instruction – Operate an efficient and effective decision making process

- a) The scheme of Executive delegation has been reviewed by the leader of the Council and the financial limit on officer decision making has been raised to £300,000 with the minimum value at which a financial decision must be published has been raised to £100,000 bringing the Council closer to alignment with other core cities.
- b) New guidance on decision making has been produced and is available on the Council's Intranet pages for use by all those involved in the decision making. This includes a quick reference guide on decision making which outline typical decision making pathways and provides clarity on processes. The intranet pages themselves have been redesigned making it easier to find key information.
- c) Timescales for the provision of professional advice on decisions have been clarified and the new guidance emphasises the need for report/ decision authors to seek input from relevant teams across the Council at an early stage to ensure decisions are well considered and shaped as they are developed.
- d) Informal meetings have been streamlined to improve the efficiency of decision making and provide greater clarity on what business is required at what meetings prior to formal decisions.
- e) Sessions on decision making have been provided to all Councillors and specifically to Executive Councillors as part of the induction programme following the city council elections on 4 May.
- f) Overview and Scrutiny structures have been reviewed and new committees established to better support Scrutiny's contribution to the decision making process. Additional officer support has been recruited to support the Overview and Scrutiny and Audit Committees and is currently progressing through the pre-employment phase.

## 2.4 **Instruction 2 – Application, in full, of the Council's Officer/Member protocol**

The following key actions have been taken in response to this instruction:

- a) Portfolio Holder remits were reviewed as part of their appointment from 22 May 2023, bringing them into closer alignment with Council departments and the new Overview and Scrutiny structure. This will support the efficient management of key relationships.
- b) E-Learning on Councillor/Officer relationships and working in a political environment has been made compulsory as part of the induction programme for all new colleagues in addition to managers.

- c) The Councillor induction programme included sessions on Councillor/ Officer relationships and roles across several sessions.
- d) A reporting policy has been developed establishing clear pathways for councillors and colleagues to report any concerns they have about breaches of the Councillor/ Officer Protocol and identifying where to seek advice. This went live on 30 June and provides a route through to the Monitoring Officer should matter not be able to be resolved informally.

2.5 In relation to these two instructions, further work is ongoing to support the good governance of the City Council. This includes:

- a) The development of a new delegated decisions and, eventually, reports management system to improve the management of decisions and reports as they are drafted.
- b) Establishment of more robust corporate forward planning processes.
- c) Further review of informal meetings to establish whether further streamlining can be undertaken.
- d) Review of guidance on processes including Data Protection Impact Assessments and Equality Impact Assessments to ensure clarity.
- e) Review of documents used to define Executive/ Officer working arrangements in other Councils for potential use in Nottingham.

2.6 **Instruction 3 – Regularise, in a consistent way, good communication and engagement with stakeholders**

The following response was reported to the IAB on 26 July on this instruction:

- a) Stakeholder database produced with input from senior officers and Leader & Deputy. This formed the basis of high-level mapping of stakeholders against the Strategic Council Plan outcomes.
- b) New Communication and Engagement Strategy sets out our objectives, priorities and associated action plan for delivery. It includes a quarterly forward planning approach that coordinates communication and engagement activity taking place.
- c) The strategy segments stakeholders with tailored objectives and methods of engagement and communication for optimum impact. Segments include citizens, workforce, stakeholders/partners, business and media.
- d) There is a particular focus on supporting the delivery and achievement of other relevant IAB Instructions.
- e) Initial baseline feedback was sought from key stakeholders to inform the quarterly forward planning approach and a formal annual baseline survey was launched in early June 2023. The results of which will provide a baseline for evaluation and inform delivery.

## 2.7 **Instruction 4 – Consolidate best practice in governance relating to all partnership working**

The following response was reported to the IAB on 26 July on this instruction:

- a) Partnerships have been mapped and key partnerships defined.
- b) We have reviewed current partnership governance arrangements through the NCC responsible officers on each key partnership to establish current practice around governance and identify and close gaps.
- c) The review has enabled the identification of NCC's 'significant partnerships' which are now all captured on the 'Register of Significant Partnerships'
- d) Best Practice Guidance has been created based upon internal practice and by seeking out best practice from other Councils and Local Government representative bodies such as CIPFA.
- e) The Best Practice guidance now sits alongside a checklist which enables senior officer representatives on each Partnership to offer assurance that the Partnership is operating as it should.
- f) Dissemination of the Best Practice Guidance and checklist will occur on a rolling annual cycle, with this year's process beginning in June.
- g) Where poor practice is identified this will be logged and addressed by the representative with central support as required.
- h) A final part of this process will include the annual update of the Register of Significant Partnerships which forms a part of the Best Practice Guidance.
- i) Nottingham continues to benefit from the 'One Nottingham' Partnership, a successor to the Local Strategic Partnership. This is chaired by the Leader of the Council – and those attending are the Chairs of many of the other major partnerships.
- j) Effective partnership working with external partners was demonstrated following the death of HM Queen Elizabeth II through the implementation and coordination of Operation London Bridge - enabling the delivery of a range of events and services in a respectful and synchronised way.
- k) Recent and tragic events in Nottingham on Tuesday 13 June have seen our partnerships working effectively as Nottingham came together to respond and recover.

## 2.8 **Instruction 5 – Finalise the implementation of the restructured commissioning and procurement system**

The following response was reported to the IAB on 26 July on this instruction:

- a) New Commercial Oversight Board chaired by Corporate Director of Finance and Resources and Section 151 Officer established and operational, covering commercial strategies including approach to market for all contracts over threshold, Value for Money reviews (periodically), procurement exemptions and forward procurement plans.

- b) Commercial Oversight Board has now met 4 times since inception and is demonstrating the value of having cross departmental challenge resulting in fully considered and informed approaches to market. Attendance is all Corporate Directors (CD), Chaired by CD of Finance and Resources, with Directors and Heads of Service attending for specific items.
- c) Commissioning and Procurement Executive Committee that oversees decisions related to Commissioning and Procurement focuses on the policy direction to ensure projects deliver best value and drive social value to improve the economic and environmental well-being of the city.
- d) New Commissioning structure with 50% new post holders in place and phase 2 recruitment in train. Induction includes Oxford Brookes, Skills for Care and Government Commercial College training.
- e) A suite of commissioning work is driving savings and best value through the Adults' and Children's Transformation Programmes. For example, commissioning new supported living capacity with external developers in adult social care has delivered £775k in 22/23 and is projected to deliver £1.698m in 23/24.
- f) Likewise, procurement has delivered £440k of savings in 2022/23 with a further £940k of savings and income in 2023/24 being validated.
- g) Children in Care Placements Team transfer to Commissioning and Partnerships on 8 August to strengthen the oversight and cost effectiveness of commissioned services.

3. **Background papers other than published works or those disclosing exempt or confidential information**

None

4. **Published documents referred to in compiling this report**

Reports to and minutes of the Full Council Annual General Meeting held on 22 May 2023.