



Department for Levelling Up,
Housing & Communities

Mel Barrett
Chief Executive
Nottingham City Council

Max Soule
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**Department for Levelling Up,
Housing and Communities**
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Dear Mr Barrett,

I am writing to inform you that the Secretary of State for Levelling Up, Housing and Communities has today made Directions, under section 15(5) of the Local Government Act 1999, in relation to your Authority. I enclose along with this letter a copy of the Directions and an accompanying Explanatory Memorandum both of which will be published on gov.uk, together with supporting material.

The Secretary of State has issued Directions to direct your Authority to follow the advice of the Nottingham City Council Improvement and Assurance Board, chaired by Sir Tony Redmond, as a necessary and expedient action to secure compliance with their best value duty. The Directions move the Improvement and Assurance Board to a statutory footing, so they are empowered to direct rather than guide the Council's improvement activities.

The Secretary of State has revised the proposals published on 23 June. This was partly in light of representations received that highlighted the close working between the Council and the Improvement and Assurance Board, the positive attitude of the Council towards the required improvement, and the capabilities of the Leader as displayed during the negotiation and agreement of the East Midlands Devolution Deal.

The exercise of these Directions should enable the Improvement and Assurance Board to make sure that the transformational work currently being undertaken at the Authority is continued at pace and embedded fully. The Secretary of State is clear that he expects significant progress to be made over the next three months, including in relation to longer term budgeting. He will again consider exercising his powers under the Local Government Act 1999, including the appointment of Commissioners, in the new year.

The Directions require your Authority to take certain actions:

- In the first three months to prepare, agree and amend the Nottingham City Council Improvement Plan, to the satisfaction of the Improvement and Assurance Board. This may include or draw upon improvement or action plans prepared before the date of these Directions. Resources will need to be allocated by the Authority accordingly and activities to implement the recommendations

contained in the independent reports by Penn and the Chartered Institute of Public Finance and Accountancy (CIPFA), and as a minimum, the following components:

- a. Actions to ensure that a strategic and systematic approach to risk management is adopted and embedded across the Authority, coupled with the appropriate scrutiny and governance of decision-making processes and procedures.
 - b. Actions to deliver financial stability in the Authority, including: moving to sustainable long term budget setting; an investigation to establish the accuracy and suitability of current financial accounts and management controls; rapid and sustainable improvements to the council's scrutiny function, and financial and risk management; and strengthening its accounting processes and reporting arrangements.
 - c. Actions to secure improvement in the governance and structure of the Council's commercial portfolio.
 - d. Actions to secure continuous improvement in all services.
- To report to the Secretary of State on the delivery of the Improvement Plan at six monthly intervals, or at such intervals as the Improvement and Assurance Board may direct, and adopt any recommendations from the Improvement and Assurance Board with respect to the Improvement Plan and its implementation.
 - To allow the Improvement and Assurance Board at all reasonable times, such access as appears to the Improvement and Assurance Board to be necessary, including:
 - a. To any premises of the Authority.
 - b. To any document relating to the Authority.
 - c. To any employee or member of the Authority.
 - To provide the Improvement and Assurance Board at the expense of the Authority, with such reasonable amenities and services and administrative support as the Improvement and Assurance Board may reasonably require from time to time to carry out its functions and responsibilities under these Directions.
 - To pay the Improvement and Assurance Board reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.
 - To provide the Improvement and Assurance Board with such assistance and information, including any views of the Authority on any matter, as the Improvement and Assurance Board may reasonably request.
 - To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of these Directions.

I appreciate that the Council has already started taking steps in relation to these actions.

The Directions will remain in force until 1 September 2024 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

As you will know, the Improvement and Assurance Board are accountable to the Secretary of State in that they have been nominated by him and can have their nomination withdrawn by him.

Finally, you will wish to note that the Secretary of State has asked for six monthly reports from the Improvement and Assurance Board, or at such other times as might be agreed with the Board. The first report is expected as soon as is practicable within the first three months of the intervention. This will also inform the Secretary of State in considering whether to exercise his powers further under the Local Government Act 1999, including the appointment of Commissioners.

I am copying this letter to your Authority's Section 151 Officer, and to its Monitoring Officer.

Yours sincerely,

Maxwell Soule
Deputy Director, Local Government Stewardship