

CAMBRIDGE CITY COUNCIL

REPORT OF: The Head of Strategy and Partnerships
TO: Civic Affairs Committee 10/2/2010
WARDS: All

FINDINGS OF THE MEMBER COMMITTEE OF INQUIRY INTO THE FOLK FESTIVAL ON-LINE TICKETING CONTRACT 2008

1 INTRODUCTION

- 1.1 A Member Committee of Inquiry into the failure of the Folk Festival on-line Ticketing Contract in 2008 was held during October and November 2009. The Committee elected Councillor Tim Ward as its Chair.
- 1.2 The Member Committee of Inquiry has produced a report setting out its findings and recommendations, which are addressed to the Chief Executive. The Committee of Inquiry's report is shown at Appendix A. Councillor Tim Ward will present the Member Committee of Inquiry's report to Civic Affairs Committee.
- 1.3 The Chief Executive has considered the Inquiry's report. Her response is set out at Appendix B. It is proposed that actions identified by the Chief Executive are added to the Folk Festival Corporate Action Plan that is being monitored by Civic Affairs Committee.
- 1.4 The Folk Festival Corporate Action Plan is shown at Appendix C.

2. RECOMMENDATIONS

- 2.1 That Civic Affairs Committee welcome the findings of the Member Committee of Inquiry.
- 2.2 That actions identified by the Chief Executive in response to the recommendations of the Member Committee of Inquiry are added to

the Folk Festival Corporate Action Plan that is being monitored by Civic Affairs Committee.

3. **BACKGROUND**

- 3.1 The Member Committee of Inquiry was set up to review and learn from the events surrounding the failure of the 2008 Folk Festival on-line Ticketing Contract.
- 3.2 Terms of Reference for the Inquiry were agreed by Community Services Scrutiny Committee in June 2009 and are included as an appendix to the Member Committee of Inquiry's report.

4. **IMPLICATIONS**

Financial, staffing, equal opportunities, environmental and community safety Implications

- 4.1 None anticipated.

BACKGROUND PAPERS: The following are the background papers that are relevant to this report:

Review of the Folk Festival on-line Ticketing 2008: Report to Civic Affairs Committee dated 30/3/2009

Plans for 2009 Cambridge Folk Festival: Report to Community Services Scrutiny Committee dated 22/4/2009

Folk Festival Update: Report to Civic Affairs Committee dated 24/6/2009

Members' Committee of Inquiry into Folk Festival Ticketing Issues: Report to Community Services Scrutiny Committee dated 24/6/2009

Folk Festival: Report to Community Services Scrutiny Committee dated 8/10/2009

Folk Festival Corporate Action Plan Update: Report to Civic Affairs Committee dated 18/11/2009

These reports can be found on the Council's website at this link:

<http://www.cambridge.gov.uk/public/councillors/comtabl9.htm>

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Appendix A

Report of the Member Committee of Inquiry into the Folk Festival On-Line Ticketing Contract 2008

1. Purpose of Inquiry

- 1.1 The purpose of the Member Inquiry was to review and learn from the events surrounding the failure of the on-line ticketing contract in 2008 and to make recommendations to the Council on how improvements could be made to Council policies, procedures and practices to prevent a similar occurrence in future. The purpose of the Inquiry was not to apportion blame to either department or individuals.
- 1.2 The Terms of Reference for the Member Inquiry were agreed by Community Services Scrutiny Committee in June 2009. They are shown at Appendix A.

2. Members of the Inquiry

Cllr Tim Ward (Chair)	Cllr Andy Backhurst
Cllr Sarah Ellis-Miller	Cllr Chris Howell
Cllr Susannah Kerr	Cllr Margaret Wright

Officer support was provided by:

Liz Terry, Interim Director of Customer and Democratic Services
Trevor Woollams, Head of Strategy and Partnerships
Martin Whelan, Committee Manager

3. Process

- 3.1 The Inquiry was time limited and held in private in accordance with the Terms of Reference. An initial meeting was held on 20th October to:
 - a) Review papers that had already been reported through Civic Affairs and Community Services Scrutiny Committee into learning from the failure of the contract.
 - b) Decide what additional information Members required.
 - c) Decide who should be invited to attend the inquiry to answer questions relating to the contract failure or areas of wider learning.
 - d) Get an initial view of the questions Members wanted to ask the interviewees so that they could be briefed in advance.
- 3.2 Following the preliminary meeting, appointments were made for each Inquiry Member to view the files that listed detailed information relating to the previous investigation into the contract failure. These files are

currently retained by Internal Audit. Each Member viewed the files in a private office within Lion House. An officer from Internal Audit was on hand to answer questions.

- 3.3 All viewings took place before the first of 3 half day Inquiry Sessions.
- 3.4 The 3 Inquiry Sessions took place between 2.00pm and 5.30pm on the 11th, 19th and 25th November in the Guildhall. 8 interviews took place, each lasting approximately 1 hour.
- 3.5 All of the people invited for interview agreed to attend. They were reassured that the process was not a disciplinary process at the time of invitation and by the Chair at the start of their interview.
- 3.6 At the end of each Inquiry Session, Members took time to review the main issues from the interviews and agree additional information that they required. At the end of the 3rd Inquiry Session, Members agreed the key learning points that they wanted to set out in their report.
- 3.7 A draft report was produced with the assistance of the Head of Strategy and Partnerships.
- 3.8 A final meeting of the Member Inquiry was held on 8th December 2009 to agree this report.

4. Findings in Summary

- 4.1 We agree with the main learning points already identified within the corporate action plan, particularly as they relate to the procurement and project management procedures and their use by staff.
- 4.2 However, we believe there are additional learning points for the Council and we have set them out in detail in section 6 together with our recommendations that we have addressed to the Chief Executive. In summary our findings are:
 - **Escalation** – a need to clarify when staff should escalate issues and the person they should escalate the issues to.
 - **Roles and Responsibilities** – a need to clarify the roles and responsibilities of support services staff and the individual responsibilities of Chief Officers.
 - **Contingency Planning** – a need to consider cultural issues so that staff seek advice and consider options if things are going wrong.
 - **Managing Risk** – a need to review the Council's risk management processes and to make sure managing risk is central to 'the way we do things at the Council'.

5 Overview

- 5.1 We believe the investigations that informed the report to Civic Affairs Committee on 30th March 2009 were thorough and that the investigation highlighted significant failings within the Arts and Entertainment service. The service was clearly dysfunctional. There were issues with ineffective officer relationships and there was little regard to, or use of, corporate control processes.
- 5.2 We have reviewed the management arrangements of the Arts and Entertainment service since its transfer from the old Central Services Department to the Community Services Department in April 2007. It is clear that the current Director inherited a dysfunctional service. She put in place actions to deal with staff relationship problems and arranged for an Internal Audit review of procurement within Arts and Entertainments to better understand issues within the service. Internal Audit reported in May 2008. As a result of this, the Director had planned a review and re-structure within the service.
- 5.3 We recognise that at the time of the transfer of the Arts and Entertainment service, the Director of Community Services already had several services reporting to her of which housing was the largest.
- 5.4 With hind sight it is easy to say that perhaps more should have been done to resolve the issues within Arts and Entertainment when the service was first transferred. This is not a criticism of the current Director because she was clearly trying to deal with the issues that she had inherited. It is, however, a learning point for the organisation that management issues concerning staff performance need to be addressed as soon as they arise.
- 5.5 From the evidence we have read and heard during the Inquiry we are re-assured that appropriate action has been, and is being, taken to rectify the problems within Arts and Entertainment.
- 5.6 The Civic Affairs investigation also found that whilst corporate procedures for procurement and contract management were 'fit for purpose' specific improvements should be made.
- 5.7 Again, we are re-assured that progress is being made to deliver these changes through the corporate action plan that was reported to Civic Affairs on 18th November 2009.
- 5.8 With this in mind, we have focused our Inquiry on the lessons to be learnt with regard to the wider roles and responsibilities of staff within support services and their inter-relationships with front line services, particularly in the context of corporate control mechanisms.

- 5.9 We believe there is further learning for the organisation in these areas that will reduce future risk and lead to better outcomes for residents. This learning is set out below.
- 5.10 We have addressed our recommendations to the Chief Executive. They are, in general, expressed in terms of the outcomes we would like to see because we believe the Chief Executive is best placed to decide upon and implement the actions required to deliver these outcomes.
- 5.11 We suggest that actions identified by the Chief Executive are added to the corporate action plan and monitored by Civic Affairs Committee.

6. Findings

6.1 Escalation

- 6.1.1 When we examined the timeline of events leading up to the sale of on-line tickets for the 2008 Folk Festival, it was clear that many people had concerns about awarding the contract to Secure Ticket UK. This led us to ask why no-one escalated their concerns.
- 6.1.2 An officer in Finance clearly had concerns about the company's financial situation following a credit check and expressed these to an officer in Arts and Entertainment. Even though concerns were repeated in e-mails between the 2 officers up to 2 working days before the tickets went on sale, evidence shows that neither officer escalated the concerns to their Head of Service or Director.
- 6.1.3 Legal officers were first asked for support to prepare the contract just 13 working days before tickets went on sale. They were involved in numerous e-mail exchanges with the officer in Arts and Entertainment and Secure Ticket before the contract was eventually signed by Secure Ticket at 3pm on the last working day before tickets went on sale. The Head of Legal Services was made aware of the negotiations and at a meeting on 8th May he asked legal officers to notify the Head of Internal Audit. This was 2 working days before the tickets went on sale. Again, no one escalated their concerns, either to their own Director within their support service, or to the Director of Community Services.
- 6.1.4 We are clear from our interviews with staff that everyone involved was focused on trying to deliver on-line ticketing by the planned date (11th May 2008). Evidence shows staff in the support services worked very hard to try and help officers in Arts and Entertainment achieve this outcome. Evidence also shows that, in terms of risk, staff were focused on implications for the reputation of the Council if the contract did not proceed. On-line ticketing had been introduced in 2007 to resolve issues of significant queuing that had arisen in 2006 and resulted in complaints to the Council.

6.1.5 There are many lessons here. Clearly, if corporate procedures had been followed, the procurement would have been planned well in advance, a project team would have been set up for the delivery of the Folk Festival with appropriate officers from the support services involved from the beginning and a proper risk assessment would have been carried out early in the process. We note that learning points concerning use of corporate processes and effective planning were identified in the report to Civic Affairs (30th May 2009) and, as discussed in section 5 above, are being addressed through the corporate action plan and the action plan relating specifically to the Arts and Entertainment Service.

6.1.6 However, we are not convinced that the 30th May 2009 Civic Affairs report (ref: 2.F6) fully addressed the issue of escalation and we believe more needs to be done to ensure officers are clear:

- a) When they should escalate an issue of concern within their own service.
- b) When they should escalate an issue of concern within another service.
- c) How they should escalate an issue of concern.

6.1.7 Recommendations

The Chief Executive should take appropriate action to achieve the following outcomes:

- i) Staff are clear about when and how they should escalate issues of concern within their own service area or within another service area.
- ii) The culture within Council services encourages staff to raise issues of concern with Heads of Service and Directors when appropriate.

6.1.8 Notes

Whilst we believe it should be for the Chief Executive to identify the action required to achieve the outcomes at 6.1.7 above, we would expect such action to include a review of relevant systems and policies (such as the Whistle Blowing Policy) and consideration of 'softer' measures that will encourage staff to feel comfortable about raising concerns.

6.2 Roles and Responsibilities

6.2.1 Whilst evidence shows that staff in support services worked hard to try and help Arts and Entertainment staff to deliver on-line ticketing, it is

clear that roles and responsibilities were blurred and not understood by all those involved. Again, these issues were highlighted in the 30th March 2009 Civic Affairs report (ref 2.F4).

- 6.2.2 We have sought to clarify the understanding of staff within support services of their roles, responsibilities and accountabilities. We have found officers consider their role is to give information and advice based upon the requests from front line or 'client' services. They are clear they are accountable for ensuring that their information and advice is sound. They do not believe it is their role to make decisions for a 'client' service.
- 6.2.3 We are not convinced that this position is fully appreciated by staff in front line services. For example, the finance officer expressed serious concerns about Secure Ticket UK after the initial credit check had been received. However, in the end, the arts and entertainment officer seemed to think that because the finance officer hadn't specifically said 'don't use the contractor', he could go ahead with completing the contract.
- 6.2.4 A further example is that Legal will negotiate a contract with a supplier as per instructions provided by the client officer. The client may not realise that an issue is of particular importance to the contract and so may not include it in their instructions to Legal (e.g. the need for an ESCROW account)
- 6.2.5 Evidence heard by the Inquiry suggests support services do not routinely challenge client services to try and ensure that all relevant issues have been considered. An example in the Secure Ticket case is that the Finance officer understood the contract would include a requirement for ticket money to be held in an ESCROW account. The arts and entertainment officer understood that the Council's interest in the ticket money needed to be protected and the contract made reference to the ticket money being kept in the "protected client bank account". However, the contract makes no reference to an ESCROW account. Evidence suggests that the arts and entertainment officer may not have understood exactly what an ESCROW account is and why it would have been important to make the use of this type of account a specific requirement of the contract.
- 6.2.6 It is clearly unreasonable to expect officers within front line services to have a detailed knowledge of the different types of business bank accounts. That is why we employ financial experts. The same rationale can be applied to Legal, Human Resources and other support services.
- 6.2.7 Again, this highlights the importance of good project management and procurement practices and the inclusion of key support service staff on project teams.

6.2.8 We believe this also highlights the need to ensure the ‘terms of engagement’ between a front line service and a support service are clarified at the outset. Evidence shows that engagement between front line and support services is often informal. This leads to a blurring of responsibilities and accountability. Front line services must be clear about what support they want and support services must be clear about the support they are giving.

6.2.9 However, we also believe that the role of support services (as experts in their field) should be broader than just giving information and advice. There should be some responsibility on the support service to challenge front line staff to ensure that they have asked the ‘right’ questions, to ensure they understand the advice being given and to highlight risks or action that should be taken. They should also follow up recommended action where the action is mitigating significant risk. To give a simple example, applying this to Finance and the issue of an ESCROW account, a response to Arts and Entertainment might be:

It will be very important to ensure the Council’s ticket money is secure. You can do this by requiring the money to be paid straight into an ESCROW account. It is important to specifically state within the contract that an ESCROW account is required because this will mean that both the Council and the Contractor have to sign before any money can be withdrawn. Can you confirm that the requirement for an ESCROW account is included in the contract please and let me have a copy?

6.2.10 In addition to the above, we believe there is a need for clarification of the roles and responsibilities of the Director of Finance and the other Directors (and delegations within their departments) for ensuring that the Council’s financial risk is effectively managed and that money owed to the Council is secured. We found the boundaries between the responsibilities of Finance and the other Directorates to be blurred.

6.2.11 As an example, we refer to the evidence that suggests that no one in finance checked to see if payment had been received from Secure Ticket by the due date (11th August 2008). This seems surprising given the concerns over the credit worthiness of Secure Ticket.

6.2.12 Recommendations

The Chief Executive should take appropriate action to achieve the following outcomes:

- i) Staff from both front line and support services are clear at the outset about the terms of engagement when advice or support is sought from a support service.
- ii) Staff from support services routinely challenge staff from front line services when asked for advice or support to satisfy

themselves that the front line staff are clear about their requirements.

- iii) Staff from support services routinely follow up recommended action where this is required to mitigate significant risk to the Council.
- iv) The individual responsibilities of the Director of Finance and the individual responsibilities of the other Chief Officers are set out clearly in the Council's Constitution.

6.2.13 Notes

We note that officers are currently reviewing the Council's Constitution and we recommend that the Financial Regulations and Financial Procedure Rules, set out in Part 4F of the Constitution, are included in this review to address recommendation iv) above.

6.3 Contingency Planning

- 6.3.1 As mentioned earlier in this report, the evidence shows that in the 2 weeks leading up to the 'go live' date for the on-line ticket sales, staff in Arts and Entertainment, Legal and Finance were all working hard to ensure the contract was completed. The evidence also shows that staff believed this date was crucial to ensure people could buy their tickets on-line and so prevent queuing, which would be inevitable if on-line tickets were unavailable. They were focused on the reputational risk to the service and the Council.
- 6.3.2 It is a fundamental issue for us that no-one stood back and considered how important this issue was in the context of the whole organisation. A few days of queuing would have been unfortunate, as would the negative press that would have resulted. But now this seems little in comparison to the financial loss incurred and the damage to the reputation of the Council that resulted in this loss.
- 6.3.3 It is perhaps easy to be wise after the event and again we emphasise that staff clearly had the best of intentions and were working hard to make the on-line ticket sales a success. Notwithstanding the learning points already identified around effective project planning, risk assessments, escalation etc. – all of which might have prevented the failure – we believe that, in this case, the fixation on reputational risk also highlights the need for staff to consider, and to be encouraged to consider, a 'Plan B' when it becomes clear that something may not work.
- 6.3.4 Using the on-line ticketing example, even a couple of days before the 'go live' date, a 'Plan B' may have been to scrap plans for on-line ticket sales and accept the inevitable queuing and negative press stories.

6.3.5 Recommendations

The Chief Executive should take appropriate action to achieve the following outcomes:

- i) That the culture within the Council encourages staff to seek advice and consider alternative options when it becomes clear that things are not going to plan or a significant risk has arisen.

6.4 Managing Risk

6.4.1 Our investigations have given us some concern about the way the organisation manages risk. These concerns have been expressed within the sections above.

6.4.2 We have heard evidence that risk is now taken very seriously within the Arts and Entertainment service and we note the corporate action plan includes actions to review procurement and project management procedures and training for staff. We also note risk management processes including the (officer) Corporate Risk Group and Risk Register and we note that the Corporate Management Team receive reports on key risks and the actions being taken to mitigate them. But, we are still uncertain about the degree to which risk management is really embedded within the organisational culture.

6.4.3 We appreciate and accept evidence from the Chief Executive that you can never remove all risk and that you need to create a balance where higher risks are mitigated and officers are able to run services efficiently and effectively. We would, however, like further re-assurance from the Chief Executive that risk management is more than just a tick box process.

6.4.4 Recommendations

The Chief Executive should take appropriate action to achieve the following outcomes:

- i) Risk management processes have been reviewed and reported to members and members are satisfied that managing risk is central to 'the way we do things at the Council'.

7. Glossary of Terms

Corporate Management Team	A fortnightly meeting, chaired by the Chief Executive, of the Council's Directors and the Head of Human Resources. CMT consider strategic issues and ensure the Council's objectives are being delivered.
Corporate Risk Group	An officer group, chaired by the Chief Executive, that determines the Council's risk management framework, monitors the actions to be taken to mitigate key risks as set out in the risk register and co-ordinates quarterly reports for Corporate Management Team showing how key risks are being managed.
Front Line or Client Services	These are services within the City Council that provide a service directly to the public. They include services such as refuse collection, street cleaning, sports, maintenance of parks, Corn Exchange and running of the Folk Festival.
Risk Register	A register setting out the key risks to the Council and the actions required to mitigate them.
Support Services	These are the services within the City Council that provide support to front line services. They include services such as financial, legal and human resources.

Appendix A

Terms of Reference for the Folk Festival On-line Ticketing Contract Member Committee of Inquiry

Purpose of the Inquiry

To review the learning from the events surrounding the failure of the on-line ticketing contract in 2008 and to make recommendations to the Council on how improvements could be made to council policies, procedures and practices to prevent a similar occurrence in future.

The Inquiry to cover:

- The role of service responsible for the contract
- The role of the support services in Finance, Legal and Procurement supporting the service
- The effectiveness of the Council's Risk and Procurement Processes
- The appropriate role of lead officers, Managers and Members in major procurements and risk management processes
- Any organisational cultural issues that need to be addressed.

Methodology

The Inquiry will hold one meeting where it will

1. Review the Civic Affairs Report from March 2009 and recommendations from subsequent HR processes (if any) to identify any gaps in understanding or areas for further investigation.
2. Identify any other existing documentation it may wish to review
3. Identify any witnesses it may wish to call to aid its investigations.

The Inquiry will hold a maximum of 3 half-day sessions to

4. Speak to those witnesses and/or Review those documents

The Inquiry will hold a final meeting

5. To pull together their findings and agree their recommendations to relevant Committees and/or Executive Councillors of the Council.

Membership

6 Members

4 Liberal-Democrat

2 Other Members

Chaired to be determined at the first meeting.

Timing

October – November 2009. (Final dates to be determined to fit with outcome from any HR processes.)

Timescales

The Inquiry will meet no more than 5 times.

Officer Support to the Inquiry

The Head of Strategy and Partnerships will support the Inquiry

A Committee Manager will administer the Inquiry

Format of meetings

It is clear members wish to discuss the roles of a range of individual staff therefore in order to enable full discussion it will be appropriate for the Inquiry to meet in private and then make its findings public. It may be possible for the initial and final meetings of the Inquiry to be held in public with only the witness sessions held in private, but this will depend on the issues members wish to explore in those meetings.

Appendix B

Response to the Member Committee of Inquiry by the Chief Executive

Introduction

1. I am pleased to learn that the Member Inquiry found earlier investigations into the contract failure were thorough and that measures already put in place or planned (both within the Arts and Entertainments service and to improve corporate processes) were appropriate.
2. Given re-assurance on the above, the Member Inquiry focused its work on:

“lessons to be learnt with regard to the wider roles and responsibilities of staff within support services and their inter-relationships with front line services, particularly in the context of corporate control mechanisms”.
3. The recommendations from the Member Inquiry relate to both the responsibilities of individuals and to wider cultural issues within the Council. I have shown how I intend to take forward and address both of these areas in the table below.
4. One of themes of the recommendations is clarity of responsibilities between Directors and Heads of Service. During February I will be formally consulting on my proposal for a major re-structuring of Council departments which is aimed at rationalising senior management and driving a new culture of innovation and challenge so that we are best placed to meet the challenges ahead. As part of the restructure proposals, I will be seeking to reinforce roles and responsibilities. There will be fewer Directors who will be accountable for the overall management of their departments and will be focused on strategic issues and building external partnerships rather than operational detail. They will be supported by Heads of Service who are the operational leads for their service areas, responsible for developing the future direction of those services and accountable directly to members for them.
5. The restructure will provide the opportunity to review job descriptions to ensure roles and responsibilities are consistently allocated across the organisation. The new job descriptions, whether for Directors or Heads of Service, will make clear the expectations inherent in each role.
6. I am planning to report the findings of the consultation to Strategy and Resources Scrutiny Committee in March and to present my final proposals to Council in April.

7. Structural change needs to be supported by reinforcement of the organisation's preferred culture. The lessons learnt from the first report to Civic Affairs have been well rehearsed in the organisation. The services involved, both Arts and Entertainments and the support services engaged with them, have reflected on their ways of working and made changes to them. I have already introduced a programme of joint CMT / Heads of Service meetings where the wider leadership team comes together to consider strategic issues for the Council. Learning from the Member Inquiry will be the focus of our next joint meeting on 2 March and will provide an opportunity for the team to consider how we reinforce the messages through the organisation.
8. This reinforcement will need to be done on a number of levels through our existing processes, in particular: through the corporate training programme, through the way we set objectives for those people who manage projects and procurements or provide support to them, and through the performance review process and through our ongoing communications with staff in council publications and through briefings and team meetings.
9. I already chair the officer Risk Management Group and have been working with the group to ensure it focuses on the Council's key risks. I will work with the Head of Internal Audit, the Council's lead officer on risk (Support Services Manager) and the rest of the risk management group to identify where any further improvements to risk process are required and will report back to Civic Affairs later in the year on this.

Chief Executive
27 January 2010

Ref	Recommendation	Response	Officer responsible	Deadline
Escalation				
6.1.7 i)	Staff are clear about when and how they should escalate issues of concern within their own service area or within another service area.	a) Include for discussion and action at CMT/HoS meeting on 2 March 2010 and encourage managers to reinforce messages more informally in team meetings	CEX	March 2010
		b) Discuss with Trade Unions other opportunities for them to publicise the policy to their members	CEX	March 2010
		c) Review and publicise Whistle Blowing Policy and publicise the policy regularly throughout the year in staff newsletter City Scene	HoHR	May 2010
6.1.7 ii)	The culture within Council services encourages staff to raise issues of concern with Heads of Service and Directors when appropriate.	Test in the next staff survey whether staff know about the policy and any barriers there may be to raising concerns with their manager / head of service.	HoHR	March 2011
Roles and Responsibilities				
6.2.12 i)	Staff from both front line and support services are clear at the outset about the terms of engagement when advice or support is sought from a support service.	Directors of support services to review with the relevant Heads of Service that appropriate processes are in place to facilitate that discussion when departments commission work.	DOF/CEX /DCDS	June 2010
6.2.12 ii)	Staff from support services routinely challenge staff from front line services when asked for advice or support to satisfy themselves that the front line staff are clear about their requirements.	Heads of Service to use the performance review process, supervision and team meetings to reinforce these messages and to monitor progress and key risks identified by their staff.	Head of Service in Finance, CDS and CEX departments	Feb – Mar 2010 and annually
6.2.12 iii)	Staff from support services routinely follow up recommended action where this is required to mitigate significant risk to the Council.			
6.2.12 iv)	The individual responsibilities of the Director of Finance and the individual responsibilities of the other Chief Officers are set out clearly in the Council's Constitution.	Review the constitution to ensure the roles and responsibilities of the (new) Chief Officer posts and of their Heads of Service are clear	Head of Legal/HOHR	June 2010

Ref	Recommendation	Response	Officer responsible	Deadline
Contingency Planning				
6.3.5 i)	That the culture within the Council encourages staff to seek advice and consider alternative options when it becomes clear that things are not going to plan or a significant risk has arisen.	Include for discussion and action at CMT/HoS meeting on 2 nd March 2010 and encourage managers to reinforce through the performance review process and through supervision and team meetings to reinforce these messages.	CEX	March 2010
Managing Risk				
6.4.4 i)	Risk management processes have been reviewed and reported to members and members are satisfied that managing risk is central to 'the way we do things at the Council'.	CEX to continue to chair the officer Risk Management Group and use the group to review existing processes	CEX	Ongoing
		Review of risk management processes to be reported to members	CEX/Head of Internal Audit/ Support Services Manager	Sept 2010

APPENDIX C Review of the Folk Festival on-line ticketing 2008 - Corporate Action Plan								
Ref	Finding	Ref	Recommendation	Plan of Action	Officer responsible	Deadline	Update - Civic Affairs (18 Nov. 2009)	Update - Civic Affairs (10 Feb 2010)
1 The appropriateness of the Council's procurement and contract management processes and procedures								
1.F1	The procurement and contract management rules are considered to be fit for purpose and provide the rules for ensuring compliance with the legal requirements for procurement in a Local Authority. However as this is a changing environment it may be appropriate to conduct some benchmarking against similar Local Authorities to see if we are still demonstrating best practice.	1.R1	a) Conduct a benchmarking review of the Contract Procedure Rules against other Local Authorities to ensure that best practice is still being prescribed within Cambridge City Council's rules. b) Provide simple flowcharts to enable Officers to obtain a pictorial understanding of procurement rules requirements to provide the awareness of procurement requirements early in any process and improve compliance. c) Consider expansion of the existing procurement list to add in the contract list, sign off (Financial and Legal) for example giving Legal visibility of financial viability results.	Review will be undertaken to include consideration of an external body being used to complete the review. Results to be linked to the wider review of the Constitution. Flowcharts have been drafted, and will be included in training sessions, included on the intranet and appended to the new Procurement Strategy. Review the potential for an electronic checklist for all procurements linked to the corporate procurement plan on the intranet.	Strategic Procurement Advisor / Head of Internal Audit	Oct-09	Flowcharts have been compiled, and are available on the intranet. They are also included as part of the procurement toolkit which will be rolled-out from December 2009, together with supporting training (as approved as part of the Procurement Strategy). The benchmarking of Contract Procedure rules will be undertaken as part of the scheduled review work in March 2010. Development of an electronic checklist linked to the approved procurement plan has been agreed, and is underway.	Nothing further to report - see 1.R2 for an update on procurement training.
Page 45	While training is available to Officers it has been noted during this review that key Officers have attended limited training in procurement and project management.	1.R2	Implementation of compulsory attendance at procurement training for those Officers will be involved in significant procurements. These Officers should be identified by Heads of Service and managers and Strategic Procurement team advised to enable training to be delivered in a timely way.	Departments to be required to identify relevant candidates for training, and to ensure that corporate procurement plan is complete and accurate. Numbers to be reviewed against existing training schedule to determine requirement for additional sessions.	All Directors / Heads of Service Strategic Procurement Advisor	Sep-09	Departments have been required to identify officers with a need to attend training (for both Procurement and PM). A reminder of this has been included in the latest Internal Audit managers' newsletter. Procurement training sessions are being held on 9 Dec, 26 Feb (2 sessions), and 21 April 92 sessions); together with a Procurement Surgery session on 3 June. This completes the cycle, covering all aspects of the new toolkit, which will then be repeated.	An e-mail was sent to all Heads of Service on 4th November 2009 asking them to identify staff with contracting responsibilities. As a consequence of the response to this e-mail, an additional 4 sessions for the first part of the Procurement Training programme have been provided and dates for additional sessions for the remaining parts are being set up. Project Management training took place on 4th December and further sessions have been arranged for 27th April and in June (dates tbc).
1.F3	The procurement rules are dependent upon the value of the contract and the complexity of requirements increases along with the value (including ensuring EU compliance). For Officers who are occasional users of the rules it may be difficult to have to go through all the guidance to ensure they are compliant.	1.R3	Notwithstanding the benchmarking exercise referred to above, amend the existing Rules to require the consent of the Head of Legal Services and the Director of Finance to any proposal for a contract to be entered into which involves a third party holding money for the Council prior to the issue of any requests for estimates or tender documents. Conduct a review of the existing contracts in place that involve Council funds being held by a third party.	Review of existing rules to identify changes required. Review of existing contracts to identify where Council funds are held by a third party (in progress).	Strategic Procurement Advisor / Head of Legal Services	Jul-09	Completed - Director of Finance and Strategic Procurement Advisor issued a memo to Directors and Heads of Service on 20 July 2009, covering changes implemented and requirements. Existing contracts have been reviewed, and this will be maintained on an ongoing basis.	No new contracts relating to a third party holding Council funds.

Ref	Finding	Ref	Recommendation	Plan of Action	Officer responsible	Deadline	Update - Civic Affairs (18 Nov. 2009)	Update - Civic Affairs (10 Feb 2010)
1.F4	Project management guidelines have not been updated since August 2005 and while they include key documents they may not reflect the way the Council is conducting key processes such as Risk Management at this time.	1.R4	Project Management guidelines should be reviewed and rewritten to reflect the current risk management and procurement processes within the Council. Once they have been updated they need to be re-launched to Officers in order to improve awareness of what activities need to be considered when delivering a project and how to identify projects themselves. This re-launch needs to reiterate the importance of project planning, project implementation timelines, risk management, escalation paths, providing management information for decision making and record keeping. Expand the review of the Project Management guidelines to include consideration of the need for additional resource or skills when conducting a project. Also should consider the cost benefit analysis of the system introduced.	Two-stage process : a) Initial health-check to identify any interim changes to improve the existing guidance and requirements b) [Scheduled] Full review of the existing guidelines.	Head of Strategy & Partnerships	a) Sep-09 b) Jun-10	Stage (a) complete. Report setting out actions required for part (b) agreed by CMT on 29 Sept 2009. Re-launch planned for end of March 2010. A Managers' Briefing session to cover both the Procurement and Project Management toolkits has been arranged for March 2010. Project Management training has been arranged for 4 Dec. 2009 and 18 May 2010. Directors and Heads of Service have been instructed to identify those staff that should attend.	Re-launch re-scheduled for end of June 2010 and will be undertaken together with the revised procurement toolkit at a manager's briefing. Key officers met in December 09 to start a comprehensive review of the project management toolkit. This group will continue to meet over the next couple of months. Training for 13 staff took place on 4th December 09. Further training sessions are programmed for 27th April and in June 2010 (date tbc).
1.F5	Added during Civic Affairs 30 March 2009	1.R5	Examine the workflow process for the processing of a major procurement through to sign off of the contract. Should include the contract details, action plan, minutes of meetings, recommendations made to the project team etc. Timeliness would be considered and the need for unavoidable timetable. Cost benefit analysis may be appropriate.	Review flowchart against sample of existing major procurements.	Strategic Procurement Advisor / Head of Internal Audit	Sep-09	The flowcharts have been used as the basis for evaluating procurements as part of the scheduled internal audits - and this will continue as standard practice.	Nothing further to report.
Areas for improvement in the processes and procedures and / or in further procurements								
3.F1	The Strategic Procurement team provides advice to Officers regarding methods of procurement and best practice. While the resource in this service has recently been increased from one officer to two, the purpose of the service is to advise rather than complete procurement exercises for Services, therefore potential for inexperienced Officers to conduct procurements remains a risk to the Authority.	3.R1	That the Council keeps under review the appropriate level of resource within the Strategic Procurement team to facilitate Officer support.	To be undertaken as part of the Service Review for Procurement which has already been scheduled for 2009/10	Director of Finance	Dec-09	Scheduled as part of the Service Review, which will include options for alternative delivery of the function; including joint working with other authorities.	Nothing further to report
3.F2	There is a requirement for the provision of and uptake of more frequent training on all procurement aspects.	3.R2	The existing procurement training will be examined in light of this report, to establish how the lessons learnt can be best communicated to Officers conducting procurements now and in the future.	This review will be undertaken to include the outcome from item 1.R2.	Strategic Procurement Advisor	Oct-09	Quick Guides are being developed. Revised Training modules are being prepared, and programmed as detailed above. A Managers' Briefing session (to be undertaken by the Strategic Procurement Advisor and the Head of Strategy and Partnerships) has also been scheduled for March 2010 to further support the dissemination of the changes and requirements.	Manager's Briefing has been re-scheduled for June 2010 (see 1.R4 above)
3.F3	Simple user guides would assist officers in meeting the requirements of the Council's rules.	3.R3	Flowcharts that have been produced providing a pictorial view of procurement rules should be rolled out throughout the Authority.	These will be rolled-out through the Procurement Best Practice Group, and also incorporated in the ongoing training sessions and in guidance on the intranet	Strategic Procurement Advisor	Oct-09	Flow Charts have been completed and rolled out via the Best practice Group. They have been included in training packs and are available on the intranet.	Nothing further to report

Ref	Finding	Ref	Recommendation	Plan of Action	Officer responsible	Deadline	Update - Civic Affairs (18 Nov. 2009)	Update - Civic Affairs (10 Feb 2010)
3.F4	Recognition of responsibility and the training and skills required for procurement should be recognised in relevant job descriptions, performance reviews, training plans and objectives and as a legitimate management function rather than something has to be fitted in as an extra alongside the "day job".	3.R4	Reminders should be made to all Heads of Service and Senior Management regarding procurement training and skills, and identifying these skills for incorporation into relevant job roles rather than considering them to be incidental or ad hoc requirements.	Job descriptions should be updated wherever the requirements are regular and significant. The performance review process will be used to detail requirements where they are infrequent or at a lower level, with advice to this effect included in the standard guidance	Directors / Head of Human Resources	Sep-09	Performance Review guidance has been updated to specifically refer to the need to explicitly include any procurements to be undertaken, with links to any training requirements for that individual to be able to undertake the work.	Nothing further to report
5	Any lessons for the Council relating to its risk management processes							
5.F1b	Risk management training was provided to Officers when the risk process was introduced and training continues to be made available on a one to one basis. However, it is clear from the findings that awareness of risk identification and how risk integrates with Officers' roles (rather than being an "add on") should be conducted for relevant teams.	5.R1b	Consideration should be given to provision of refresher training on risk identification to the Arts and Entertainment section and then across the Council. All officers involved in delivering the Festival must undertake training in risk assessment, identification and management at regular intervals.	Refresher training requirements will be included in the review of the current training schedule (see 3.R2, above)	Strategic Procurement Advisor / Risk Management Officer	Oct-09	Risk Management Training was carried out within Arts & Ents in June & July 2009. The new procurement training programme includes a specific section on risk management, which is undertaken by the Risk Management Officer.	The Risk Management element within the new procurement training will be undertaken by the Support Services Manager.
Page 47	Added during Civic Affairs 30 March 2009	5.R5	Corporate need to reflect on the usage of the risk register to capture risks in timely fashion. IA plan for 2009/10 to examine procurement exercises taking place which are not represented on the risk register.	The 2009/10 Internal Audit Plan includes 5 audits of procurement covering Community Services, City Services, Human Resources and Finance.	Head of Internal Audit	Mar-10	Housing Procurement; HR Procurement; and Finance Procurement Audits have been completed. City Services Procurement Audit is underway. Wider learning points arising are communicated to the Strategic Procurement Advisor. Further procurement audits will be included in the 2010/11 and future Audit Plans.	Nothing further to report
2.F7 - 2.F17	Civic Affairs committee wanted widening of 2.R7 title to "Any substantial procurement process for any future procurement needs to ensure."	2.R7 - 2.R17	Corporate need to check if any implications regarding service recommendations 2.R7 - 2.R17 2. R11 and 2.R17 have corporate implications concerning input from Legal Services and Finance. R.11 concerns the need for Legal to review and agree Terms & Conditions for contracts. R.16 concerns the requirement for advice on financial viability to be observed unless the Service Director, in consultation with the Director of Finance, permits otherwise. R.17 concerns the involvement of Legal Services early on in any significant procurement exercises	In any case where there it is proposed to proceed against the advice of Finance or Legal Services there will be a requirement for the relevant Director and Executive Councilor to confirm such an acti on.	Directors / Heads of Service	Jun-09	Director of Finance and Strategic Procurement Advisor issued a memo to Directors and Heads of Service on 20 July 2009, covering changes implemented and requirements.	Nothing further to report

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