

SUSTAINABLE GROWTH SCRUTINY COMMITTEE

**MONDAY 15 MARCH 2010
7.00 PM**

Bourges/Viersen Room - Town Hall

AGENDA

Page No

1. Apologies for Absence

2. Declarations of Interest and Whipping Declarations

At this point Members must declare whether they have an interest, whether personal or prejudicial, in any of the items on the agenda. Members must also declare if they are subject to their party group whip in relation to any items under consideration.

3. Minutes of the Meeting held on 18 January 2010

1 - 4

4. Call In of any Cabinet, Cabinet Member or Key Officer Decisions

The decision notice for each decision will bear the date on which it is published and will specify that the decision may then be implemented on the expiry of 3 working days after the publication of the decision (not including the date of publication), unless a request for call-in of the decision is received from any two Members of a Scrutiny Committee or Scrutiny Commissions.. If a request for call-in of a decision is received, implementation of the decision remains suspended for consideration by the relevant Scrutiny Committee or Commission.

5. Use of Consultants - Scrutiny Review

5 - 74

To consider the Council's Use of Consultants.

6. Complaints Monitoring Report 2008/09

75 - 86

To scrutinise the annual complaints monitoring report and identify any areas of concern.

7. Forward Plan of Key Decisions

87 - 106

To consider the Executive's Forward Plan.



There is an induction hearing loop system available in all meeting rooms. Some of the systems are infra-red operated, if you wish to use this system then please contact Louise Tyers on 01733 452284 as soon as possible.

Emergency Evacuation Procedure – Outside Normal Office Hours

In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front of the Cathedral. The duty Beadle will assume overall control during any evacuation, however in the unlikely event the Beadle is unavailable, this responsibility will be assumed by the Committee Chair.

Committee Members:

Councillors: M Fletcher (Chairman), S Allen (Vice-Chairman), D Day, M Burton, S Day, S Lane, G Murphy and J Peach

Substitutes: Councillors: B Saltmarsh, P Winslade and S Goldspink

Further information about this meeting can be obtained from Louise Tyers on telephone 01733 452284 or by email – louise.tyers@peterborough.gov.uk

**MINUTES OF A MEETING OF THE SUSTAINABLE GROWTH SCRUTINY COMMITTEE HELD
AT THE BOURGES/VIERSEN ROOM - TOWN HALL ON 18 JANUARY 2010**

Present: Councillors M Fletcher (Chairman), S Allen (Vice-Chairman), D Day, S Day, J Peach and Saltmarsh

Officers Present: Mike Heath - Commercial Services Director
Margaret Welton - Principal Lawyer
Paul Smith - Team Leader, Planning Services
Carrie Denness – Principal Solicitor
Louise Tyers – Scrutiny Manager

1. Apologies for Absence

An apology for absence was received from Councillor Lane. Councillor Saltmarsh was attending as substitute.

2. Declarations of Interest and Whipping Declarations

No declarations of interest were made.

3. Minutes

3.1 16 November 2009

The minutes of the meeting on the 16 November 2009 were approved as an accurate record.

3.2 3 December 2009

The minutes of the meeting held on 3 December 2009 were approved as an accurate record.

4. Call In of any Cabinet, Cabinet Member or Key Officer Decisions

There were no requests for call-in to consider.

5. Peterborough City Services - Update on Lot 3: Various Operational Services

The Commercial Services Director gave an update on the progress made in relation to the future of Peterborough City Services.

At the meeting of the Committee in October 2009 members were advised that the Council was in the process of evaluating the prequalification questionnaires and supporting documentation that had been received from potential bidders. Having concluded the evaluation process a decision was made on 31 December 2009 by the Deputy Leader and Cabinet Member for Environment Capital and Culture, specifically:-

- That six bidders would be invited to participate in the competitive dialogue stage (i.e. to be invited to submit outline solutions for consideration);
- That delegated authority would be given to the Deputy Chief Executive and/or Executive Director – Strategic Resources (in consultation with the Deputy Leader and Cabinet Member for Environment Capital and Culture and where necessary the

Solicitor to the Council and/or the Waste 2020 Project Board) to determine and action:-

- (i) any issues that may need resolution during the remaining procurement process to ensure effective and timely progress to be made; and
 - (ii) whether and if so, how many, and which bidders, were to be selected to take through to the next stages of the procurement process (including invitation to submit detailed solutions, call for final tenders and preferred bidders).
- The final decision on which bidder was to be awarded the Lot 3 contract would be referred to the Deputy Leader and Cabinet Member for Environment Capital and Culture.

Following the decision taken on 31 December, the bidders which had been shortlisted for Lot 3 (in alphabetical order) were:-

- Amey LG Limited;
- Enterprise Managed Services Limited;
- HW Martin Waste Limited;
- Kier Limited;
- May Gurney Limited;
- Veolia ES (UK) Limited.

The six bidders would now be invited to submit outline solutions by the mid March 2010. After the outline solution stage, a second shortlist would be agreed of the bidders to take forward into the next stage of the competitive dialogue process (namely, invitation to submit detailed solutions for consideration by the Council) with the process continuing until final tender stage when a single bidder would be identified as the preferred bidder. It was expected that any contract would be awarded by October 2010.

The services provided by PCS had now been split into two:

- Mandatory Services – which all bidders must bid for (which are refuse and recycling, street scene and grounds maintenance);
- Additional Services – which include a range of services such as catering and fleet maintenance and others.

There were still a number of issues that would be developed further during the competitive dialogue process. .

Observations and questions were raised by Members around the following areas:

- What was the position in relation to the refuse vehicles and were these owned or leased by the Council. *The refuse vehicles were leased on a contract hire basis. They were on a fully maintained contract but the lease company sub-contracted the maintenance to PCS.*
- One of the big issues was in relation to the employees' pension arrangements and whether new employees would be able to join the Local Government Pension Scheme following the transfer. *The Council's position stated to bidders was that the successful bidder must be prepared to become an Admitted Body on a closed scheme basis for the purpose of protecting the pension rights under the Local Government Pension Scheme in respect of those PCS employees that at the point of transfer were members of the LGPS. The scheme would not be available other than to those employees.*
- A lot of work had been undertaken on cross-border working, was this still going ahead? *PCS still did some of this work and had been in contact with other local authorities because it was continually looking to open up new markets.*
- What would happen to the existing depot site and would the contract that it could only be used as a depot? *Members would recall that one of the main drivers for this procurement was efficiencies in service delivery. The Council had stated to bidders that its preference to sell the depot site but as an alternative it had stated that it would consider a*

leaseholder arrangement with both options being at market consideration. This would be developed further during the dialogue stage but as there was potential for bidders to grow the PCS business which could assist in meeting efficiencies for the Council, the Council did not want to be seen as overly restricting the use of the depot which might impact on the bidders ability to exploit that growth or to be seen to be subsidising a private company's business so that was why the market consideration for purchase or lease had been made a condition of use of the depot.

ACTION AGREED

To receive a further update at the first meeting of the new municipal year.

6. Planning Obligations Implementation Scheme

The Council had approved the draft Planning Obligations Implementation Scheme (POIS) in December 2008. Since then the POIS had been used as a material consideration in making planning decisions. It was intended that the POIS would be adopted as a Supplementary Planning Document (SPD) forming part of the Local Development Framework (LDF). The Council had a Planning Obligations Policy (IMP1) in the 2005 Adopted Local Plan and as part of that policy the Council confirmed that separate guidance would be produced to outline priorities for the provision of infrastructure and facilities within the city. The POIS document delivered on that commitment.

The Council had plans to grow Peterborough, which would require new infrastructure and replacement infrastructure to ensure that the city's growth was sustainably achieved. The Council had worked with partners to capture the infrastructure requirements which were set out in the Integrated Development Programme (IDP), which had been approved by Cabinet on 14 December 2009. S106 contributions would only part fund the infrastructure outlined in the IDP and funding from other sources would be used to meet the overall costs of infrastructure provision.

The Government had recently consulted on draft regulations on the Community Infrastructure Levy (CIL), which was an instrument to raise funding for local infrastructure needs. It was expected that the final regulations would come into force in April 2010. The Government had stated that the CIL would improve predictability and would allow the cumulative impact of development to be better addressed. The draft regulations indicated that Section 106 agreements (planning obligations) would become increasingly limited to mitigate impacts solely resulting from the development. This meant that the POIS tariff could eventually become illegal and, therefore, only a temporary solution to help fund infrastructure provision. As such, although adoption of the CIL would be optional, it was likely that most councils would choose to implement the CIL given the increasing limits of Section 106 agreements, the outlawing of POIS-style tariffs and the need to help fund infrastructure provision. The CIL charging structure would form a new type of document within the Local Development Framework and would be subject to consultation and independent review.

Observations and questions were raised around the following areas:

- Would the current 30% discount still continue on S106 Agreements? *The discount had been introduced because of the economic climate and applied to developments which would be completed by 2010. For all new applications the discount did not apply as they had to be submitted by the end of December 2009. The discount would be taken out of the main document and would be dealt with as a side letter as it was what was happening now and would be easier to change in the future. Developers would be made aware.*
- How did our POIS compare to other authorities? *Our consultants had looked at a variety of issues including land prices and they had put forward figures. The tariffs would be reviewed annually. For example, in Milton Keynes their tariff was between £15,000 - £18,000 per unit for a fully serviced site which was paid for in advance and the costs recouped from developers. In Chelmsford the tariff varied between £9,000-20,000 and was based on a geographical figure.*

- What had been the response from developers to the scheme? *Good feedback had been received. It was a very transparent and consistent process to developers and gave them certainty and let them know from the outset what would be required.*
- What was the role of Neighbourhood Councils in the process? *Projects came forward from a variety of sources, including the Council, Opportunity Peterborough and service departments. Neighbourhood Action Plans were being developed and would ask people on the ground what they wanted in their areas. These would feed into the IDP. The Neighbourhood Council's should engage with their Neighbourhood Manager if they had any projects they wanted to put forward.*
- At the development at Manor Drive, it was now being said that shops would not be provided. *If the S106 agreement said that shops would be provided it was usual that triggers would be in place about when they would be provided. It was dependent on what was agreed when the planning application was approved.*

RECOMMENDATION

That the Cabinet approves the Planning Obligation Implementation Scheme.

7. Forward Plan of Key Decisions

The latest version of the Forward Plan, showing details of the key decisions that the Leader of the Council believed the Cabinet or individual Cabinet Members would be making over the next four months, was received.

8. Work Programme

We considered the Work Programme for 2009/10.

At the meeting of the Environment Capital Scrutiny Committee on 14 January 2010 a recommendation had been made that this Committee undertook an in-depth inquiry into the Council's use of consultants. To take this work forward the Chairman circulated a list of questions which he felt should be answered to clarify what the current position was with regard to consultants.

ACTION AGREED

- (i) To submit the questions on consultants to the relevant officers;
- (ii) That a report is submitted to our meeting in March 2010 which answers the questions; and
- (iii) That the Committee meets informally prior to the March meeting to consider the responses to the questions and to identify if there is any other information that is required.

9. Date of Next Meeting

Wednesday 17 February 2010.

CHAIRMAN
7.00 - 8.13 pm

SUSTAINABLE GROWTH SCRUTINY COMMITTEE	Agenda Item No. 5
15 MARCH 2010	Public Report

Report of Cllr David Seaton, Cabinet Member for Resources

USE OF CONSULTANTS – SCRUTINY REVIEW

1. PURPOSE & BACKGROUND

- 1.1 This report has been prepared following a series of scrutiny meetings. At a meeting of the Environment Capital Scrutiny Committee on 14th January 2010, to discuss the proposed council budget, the subject of use of consultants arose. The minutes of this meeting are attached at Appendix 1. It was agreed that the Sustainable Growth Scrutiny Committee be recommended to undertake an in-depth scrutiny review into the cost and effectiveness of the Council’s use of consultants and to make recommendations on the future use of consultants by the council to inform the development of budgets in future years. Although not referred to in the minutes, the Executive Director – Strategic Resources, offered to meet with the Chair of the Sustainable Growth Scrutiny Committee to prepare the terms of reference for the review. That meeting did not take place and at its meeting held on 18th January 2010 the Sustainable Growth Scrutiny Committee produced a list of questions which it asked to be answered, and they are included at Appendix 2.
- 1.2 Before this recent request for a review, in September 2005 the Best Value and Corporate Resources Policy Overview Committee undertook a review of the Council’s use of agency staff and consultants. It produced a number of recommendations, which are set out in the report at Appendix 3. The Executive produced a response to the recommendations, at Appendix 4. Essentially, Cabinet agreed to the recommendations with the “proviso that any new procedures be delegated to the Director of Strategic Resources and must be sufficiently flexible and responsive to allow for prompt hiring when necessary”. In November 2006 a monitoring report was provided to the Committee in respect of the recommendations, and this is also attached in Appendix 5.

2. RECOMMENDATIONS

- 2.1 As Cabinet Member for Resources I am very keen that this review moves forward as quickly as possible and I have secured officer resources to enable this to happen.
- (a) Notes the contents of this report
 - (b) Sets up a task and finish group in accordance with the constitution to review the use of consultants by this Council and report back on its recommendations to the Executive in due course.

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY AND LOCAL AREA AGREEMENT

- 3.1 Effective scrutiny is an essential part of ensuring that the council is held accountable for its decisions, and thus helps it to meet all of the priorities and outcomes set out in the Sustainable Community Strategy, and the Local Area Agreement. The contents of this report are generic, and do not link to specific National Indicators.

4. INTRODUCTION

- 4.1 The use of consultancy is an accepted business practice in many sectors in this country. In the last few years however, it has been increasingly used by the public sector which has excited a debate, not always informed, about the cost and use of consultants with public money. This debate has often been characterised by headlines giving overall cost of consultants, but missing the real debate as to whether consultants or a consultancy delivers real value for money as well as producing improved outcomes for the citizens of a particular area.
- 4.2 The public sector's use of consultants has increased for a number of important reasons. For this Council it has been because the Council has wanted to become more business like and efficient which required the use of expertise from the private sector to achieve this. In addition, it has embarked on a number of high profile and ambitious projects, for which expert advice was necessary to ensure those projects' success.
- 4.3 There is also no clear definition of consultants/consultancy agreed in organisations. Quite often it is used as a catch all for a range of services from agency staff to out sourced contracts.
- 4.4 This Scrutiny Committee has decided to embark on a review of this Council's use of consultants. This review is welcome and will help inform the Council's decisions on the use of consultants in the future. Members are aware that this Council spends a significant amount on consultants in return for impartial, specialist project work. In terms of return on that spend members need to ensure that the outcomes achieved by this spend delivers one or more of the following objectives:-
- Reduced costs
 - Pitfalls avoided
 - Greater certainty of success
 - Increased speed of delivery
 - Reduced pain of implementation
 - Increased return on investment
 - Better use of technology
 - More sustainable use of resources (source MCA)

The report therefore aims to achieve the following:-

- (a) Equip this Scrutiny Committee with the tools and expertise to conduct an in-depth robust and challenging review of the use of consultants by using examples of best practice of other councils and guidance from the IDeA.
- (b) Provide three case studies of the consultancy arrangements which represent the Council's largest financial commitment to demonstrate how the tools which need to be developed can be effectively deployed to get "under the skin" of these arrangements and whether they provide value for money for the Council and improve outcomes.
- (c) Enable the committee to conduct this review in a balanced, robust, challenging and fair way which ensures openness and transparency of the work consultants do, their cost and what is achieved for the Council and the citizens of the city through their work.
- (d) Enable the work of the Best Value and Corporate Resources Policy Overview Committee in 2006 on the use of consultants to be updated from the lessons learnt from this review and more importantly support the Cabinet Member for Resources in his decision making in this area of his responsibility.

5. BEST PRACTICE ON USE OF CONSULTANTS

- 5.1 There is now published best practice on guiding and assisting councillors to properly and robustly scrutinise this area of work. The IDeA has produced a guide to assist members in making savings through better procurement in professional services. The document itself is attached at Appendix 6. Members will see that the guidance contains a useful checklist of questions that members can ask to assess the capability of their authority to procure and manage professional services professionally and efficiently. Members will be recommended to adopt this approach in their review.
- 5.2 At Appendix 7 is a Scrutiny Review final report from March 2008 of Salisbury District Council into the use of consultants. This is a thorough and in-depth review conducted over a period of time into the use of consultants at Salisbury District Council. Their methodology is robust which members will see in the body of the document. Any such review cannot just rely upon sifting through documents, individual invoices and contracts. The effectiveness of the Salisbury methodology is that they did some extensive desk top research, interviews with relevant officers and external stakeholders.
- 5.3 To add to that methodology for this review, members may also wish to interview staff who have worked with consultants and who now work in a completely different way as a result of their input of skills transfer from the consultants to the officers concerned. Our own staff would welcome an input into this review, so that they can give first hand knowledge of their experience of working with consultants.
- 5.4 Our methodology should also include interviews with external stakeholders as some of the projects taken forward by our consultants involved their interaction with those stakeholders. This will give members a rounded picture of how consultants have worked with our partners in achieving some of the Council's objectives and outcomes.
- 5.5 The scrutiny review from Salisbury District Council is, of course, one way that such a review can take place and the methodology and approach used is one that members may wish to consider adopting parts or all of in their review of the use of consultants in this Council.
- 5.6 The Sustainable Growth Scrutiny Committee has produced its own set of questions which, on their own, are legitimate but members will now see how, against the IDeA's guidance and the work done by Salisbury District Council, those questions will only provide a partial and potentially fragmented picture of how consultancy is used in this Council. Indeed, the questions are more concerned about the identity of individual consultants and the rates paid to them and do not provide a robust and challenging methodology to this area of the committee's work. The questions asked also do not provide a robust methodology to create a comprehensive review of the use of consultants. The questions will just generate potentially hundreds of pages of paperwork, without any context, ability to question individuals, businesses or partners to give a complete picture of how consultancy is used in this Council. Having said that, the committee can, if they so wish in adopting a methodology for using consultants, seek the material requested in their questions if that material is relevant to the task in hand and furthers the analysis that is required for a robust review. One other document which may assist this committee's consideration of the relative value of consultants is the Management Consultancies Association's conceptual model at Appendix 8. This model provides a useful summary of the types of skills and outcomes that we should be expecting from consultants.
- 5.7 Therefore, the approach suggested in the next paragraph will enable members to determine themselves what documents are required, who they should see, what sites they should visit and what partners they should interview. As previously stated, the case studies below will enable members to appreciate the breadth, depth and span of the work consultants do to enable members to shape and form the robust methodology which is required to do this job thoroughly.

- 5.8 It is therefore recommended that the Sustainable Growth Scrutiny Committee sets up a task and finish group under its terms of reference set out in part 3, section 5.4 paragraph 7 part 4, section 9, paragraph 17. It will need to establish:-
- (a) specific terms of reference for the group;
 - (b) membership of the group;
 - (c) proposed dates for reporting back to Growth Scrutiny Committee;
- 5.9 The first task of the group will be to produce a protocol for effective scrutiny of the use of consultants in accordance with the best practice guidelines, particularly that issued by the IDeA, as well as coming up with a clear definition of “consultants” to clarify the scope of the review. It is likely that the group will start with a research phase in two parts. First, a desk top research phase where the committee calls for documents and information they need to conduct this review against the methodology they have established. The second research phase would be site visits, not only to meet with consultants but also staff who have worked with them. It could also include visits to stakeholders of businesses, as previously stated. The third phase will be then to examine and evaluate the desk top research and site visits and determine the recommendations to be made to the council on the use of consultants.
- 5.10 Suggested terms of reference for the task and finish group are attached at Appendix 9. Clearly, the group themselves will wish to review the suggested terms of reference and produce their own, as well as the methodology for their work.
- 5.11 In order for the Scrutiny Committee to carry out a thorough and robust piece of work, officer resources will be devoted to ensure that the review is conducted in an efficient and timely manner.

6. THREE CASE STUDIES

- 6.1 The next three sections of the report deals with three consultancy arrangements where the Council’s spend is at its greatest. The consultancy arrangements are Amtec, Atkins and Serco. All three contract decisions were authorised through the Council’s approved procedures and none of the Cabinet Member Decision Notices were called in by Scrutiny Committee. In addition, the Amtec contract was subject to a separate report to the Business Efficiency Scrutiny Panel, which your Chairman was a member of. This part of the report will describe the procurement process for these consultancy arrangements, the cost of them and the work completed by the consultants. Through these three illustrations, members will get a greater feel of the scope of the work of these consultants, which will better inform members as to how to conduct their scrutiny review.

7. CASE STUDY 1 – AMTEC CONSULTING GROUP

7.1 Background

The Amtec contract, otherwise known as the Professional Services Partnership, is an umbrella contract under which a range of diverse consultancies work.

Amtec is a family owned independent company which specialises in this form of contracting. There is no link in terms of company ownership between Amtec and any consultants working within Peterborough. Amtec is the independent commercial vehicle appointed by Peterborough City Council to ‘manage’ the process of engagement and ensure value for money and good business discipline.

Amtec has 16 framework registrations with the Office of Government Commerce (OGC - the Government’s buying agency for the public sector), which allows both local and central government to purchase pre approved consultancies through a framework. These government frameworks offer an alternative to expensive and relatively slow procurement processes which have been estimated to cost the procuring authority up to 15% of the total contract value. This money can be better used in service delivery and as such it is recognised as good practice to use government frameworks and to manage all spend in a ‘compliant’ manner.

Amtec has recently (January 2010) re-bid the OGC framework and has been re-awarded OGC registration, top scoring nationally in seven out of the eight categories and having the lowest average fee rate card of any of the appointed suppliers. V4, along with companies such as CIPFA, SOCITM and National Computing Centre (NCC) are members of the MCAS consortium, which is the name of Amtec's consortium of suppliers.

The Public Services Partnership (PSP) is Peterborough's method of controlling demand for consultancy and assessing value. Since its introduction, officers have to provide robust business cases for projects requiring consultancy inputs that include measurable deliverables, arrangements and process to reduce and manage risks to project delivery, other performance indicators and exit arrangements so that the finished product can be absorbed into the council's day-to-day business. The PSP was created to enable a single governance and contract arrangement to be put in place where possible

Spending through the contract takes a number of forms as set-out below but as the compliant model umbrella contract for project management and consultancy spend it should be the vehicle used for most of the Council's consultancy spend. The only exceptions are where spend does not fall within the scope of the OGC framework under which Amtec were appointed or where an alternative procurement route is available to the Council which is more cost effective or has access to alternative skill sets not available through Amtec.

A presentation will be given to Members of Scrutiny to show the rigour of the governance process being used by the Council which has also now been recognised as an example of good practice with Council's such as Middlesborough, Central Bedfordshire and East and West Cheshire adopting the same model for programme and project management.

7.2 Procurement

The Professional Services Partnership contract with the Amtec Consulting Group provides Organisational and Functional Consultancy Services and specialist services for major projects such as Manor Drive, Drugs and Alcohol review, Adult Social Care, Customer Services, Localities working, Human Resources and Environmental Capital.

The contract was procured through an EU compliant framework under the OGC's Operational and Functional Consultancy Framework. A mini-competition was undertaken in accordance with the OGC's terms and conditions of use. Amtec Consulting Group was appointed following a successful procurement process.

The governance structure and process used to monitor the projects delivered through the Amtec contract will be demonstrated to the Committee in a presentation by Heather Darwin, Business Transformation Manager, on 15th March.

£4.4m was spent on this contract between April 2009 and December 2009, of which £2.114m was spent on the Business Transformation Programme.

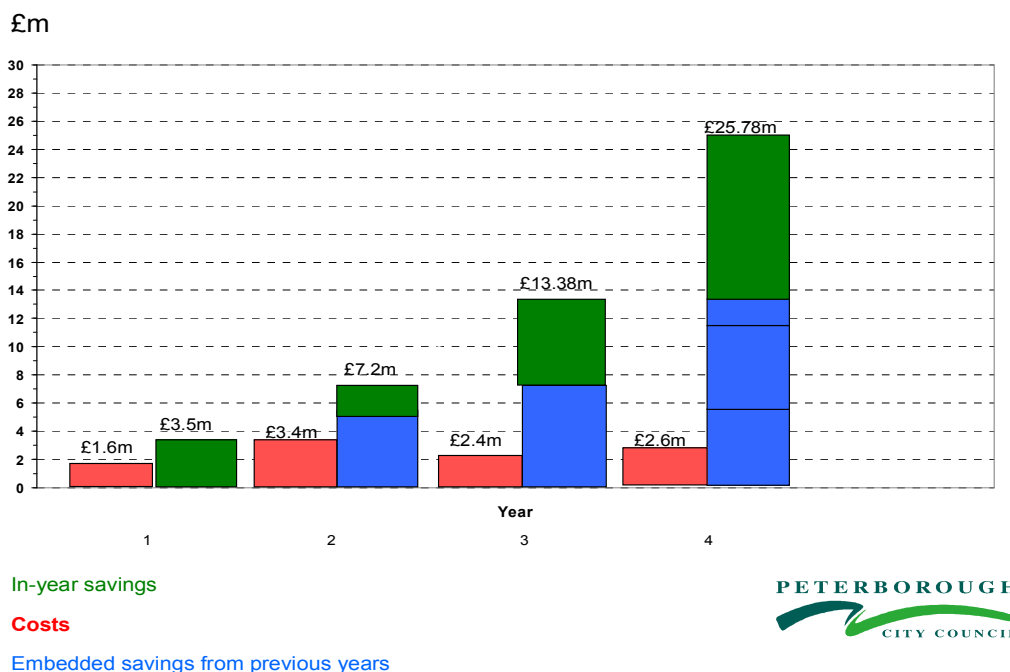
The breakdown of spend in this period was:

	£K	
Business Transformation	2,114	
Environmental	28	
Short-term Interim Managers	858	
LSP/Performance Management	458	
Regeneration	291	
City Services/Waste ALMO	608	
Total spend	4,357	(this includes money charged to other Councils and externally funded projects)

In simple terms the model is to take cost once and make the savings repeatable.

The graph below shows the effect of this in building sustainable and repeatable savings such that when we stop the one off spend the saving has been built into the base budget. This avoids the development of a reliance culture and builds a more operationally sustainable model for the future.

7.3 Return on Investment



NB. Year 3 and Year 4 show projected outcomes

7.4 Project Delivery and Outcomes Delivered

Set out below are some examples of the projects delivered through the Amtec contract:

- £5 cash returned to local taxpayers for every £1 invested in the Business Transformation programme since September 2006
- Solutions Centre teenage pregnancy project led to a reduction in the numbers of conceptions and better ratings from Government inspectors
- St John Fisher secondary school was turned around through an intervention procured through the Amtec contract which led to the departure of the head teacher, the appointment of an Interim Executive Board and the appointment of a new head teacher – together these measures have taken the school out of special measures and delivered dramatic improvements in results and Ofsted ratings
- The numbers of children and young people occupying expensive out-of-city social care placements was reduced from 386 to 343 through a methodical approach to assuring that care needs were met less expensively – saving £880,000 per year to be spent on better services

- £300,000 savings were released back into children's social care services through a dramatic improvement to the business processes in the intake and assessment function which massively reduced the time taken for assessments, reducing risk and improving child protection
- £250,000 a year was saved by co-locating social care teams and the homelessness service in a state-of-the art flexible workspace in Bayard Place, promoting vastly improved co-operation across the various specialist functions
- The council's chronic problems in recruiting professional social workers, which had contributed to its dependence on out-of-city placements due to there being insufficient capacity to recruit local foster carers, was reversed through a best practice workforce development programme which ended the structural vacancies across social work teams and has assured the delivery of professional development and the acquisition of appropriate professional practice qualifications across all social work teams
- A more commercial and disciplined approach to the procurement of services commissioned for people seeking to end dependency on drugs and alcohol released £460,000 a year back into the service for additional facilities and front-line services
- An innovative, data-driven, business model for managing children's services, which has received national attention, was introduced, giving visibility for the first time through the painstaking aggregation of an accurate picture of demand the costs of delivering services to the city's children and young people, segmented by levels of need, geography and socio-demographic characteristics. This model demonstrated the powerful impact that could be achieved by diverting spending away from tackling things when they have gone wrong and investing earlier in preventive measures – significant savings could be made, and a cycle of continuous additional investment in prevention established. The model is now being adapted to provide a cross-organisational framework for the planning and control of preventive interventions within the council's *Green Shoots* programme.
- A locality-based pilot approach to the delivery of children's services was then introduced using the new business model, providing better, more preventive and more accessible services in Stanground, delivering savings of £250,000 per year
- Effective programme and professional management of the council's Leisure Trust programme is helping to assume its delivery and the benefit to the council
- A professionally managed tender process led to the smooth transfer of the council's ICT services to Serco, delivering significant improvements in technical capability and business resilience, and £550,000 annual savings
- The back-office Manor Drive initiative reduced business administration costs by £1.2m as well as providing more coherent and systematic support to front-line services and a new income stream for the council
- The customer services programme saw the council become the first local authority in the eastern region to win the prestigious Customer Services Excellence award, which was retained a year later. In addition to £90,000 savings achieved, the programme saw a reduction of 86% in abandoned calls, and 87% increase in the number of calls answered within 20 seconds and a 25% increase in the overall volume of calls handled, but using fewer staff. We are now being asked by other public services to provide their customer-handling activities.
- £1.3m a year was saved by applying commercial disciplines to the procurement of civil engineering and transport engineering works

- A paperless purchasing system was implemented using the existing Oracle financials software platform – something that very few councils have achieved – saving £2.8m annually by reducing overheads
- £245,000 a year was saved by replacing almost seventy stationery suppliers with a single supplier, also delivering far better customer service standards, a huge reduction in unnecessary stock levels and many fewer carbon-producing deliveries being made
- The massive financial and environmental risks to the council and the city arising out of the requirement to stop using landfill for waste has been effectively driven through high quality management of the Waste 2020 programme
- £1.8m annual operating efficiencies delivered within City Services whilst it has been prepared to be taken into a fully commercial setting through a partnership with a commercial supplier
- Specialist buyers using best practices in “category management” save £1.5m a year from the previous budgets spent on supplies on services
- Adult Social Care contracts renegotiated using commercial supplier management disciplines, leading to £1.5m a year additional funding being released for front-line services
- Better management of contracting in the property design and maintenance function has saved £570,000 a year from the capital budget
- Human Resources team reduced in size from 41 to 25 positions delivering £600,000 annual savings and improved services to managers and teams
- Voluntary Redundancy programme managed in collaboration with the trade unions leading to £3m reduction in payroll costs without a single disputed case, and leading the principal trade union to refer the approach to national employers as an example of how the workforce and management should work together to achieve efficiencies
- Massive improvement to the culture and relationships between management and trade unions, exemplified through the evaporation of disputes over the single status agreement leading to the removal of seven interim managers who had been recruited to manage this process
- Multiple departmental instances of complicated human resources processes replaced with new, brief, simple approaches, all introduced collaboratively with the trade unions.

7.5 Project Case Study - Customer Services Transformation

The Council’s Customer Services Centre (CSC) was not meeting customer demands for a streamlined, unified, service that efficiently and effectively addressed customer enquiries and needs. Although improvements were being made, change was piecemeal and slow, and it was unclear if efficiency savings and high rates of customer satisfaction would emerge.

By procuring specific expertise and skills through the Amtec contract, the following was achieved:

- A review and re-engineering of customer contact processes within individual front-line services across the organisation. This enabled the migration of services such as Parking, Licensing, Trading Standards, Housing Options, Electoral Services and New Link (a service dedicated to meeting the needs of new migrants to Peterborough) to the centralised CSC.

- Improved training to enable employees to access multiple telephone queues and manage multiple call categories. In addition, working patterns were re-focused around customer demand in order to provide continuous cover. In response to meeting the needs of new migrant customers, the transfer of the New Link service increased the number of bi-lingual officers in the CSC from 11 to 15.
- Improvements in key customer service statistics, such as:

	February 2009	February 2010
% of calls answered in 20 seconds	74.38%	86%
% of calls abandoned	6.59%	3%
% of face-to-face customers seen within 30 minutes	92.72%	94.46%

As a result of the above improvements, the Council has recently received confirmation that it will maintain its Customer Service Excellence award in 2010.

7.6 National Awards and Accreditations for Business Transformation and related programmes

The Council's Business Transformation Programme has delivered and is now receiving national interest and reward for its outputs and outcomes as follows:

- **SOLACE** recognition for achievements of the programme in 2009 awarded to one of our consultants
- Noted by Price Waterhouse Coopers, the Council's **external auditors** for its "Use of Resources" score increase in 2008/09

"The Council has clear financial plans to cope with the impact of the recession. Significant improvements have been made by the Council in its financial management arrangements. Financial planning is good. Efficiency savings have been made, helping the Council to put more money into areas that residents think are most important. The "Business Transformation Programme" delivered over £10 million of savings. The Council improved its buying arrangements".

- Noted by the Audit Commission in the Council's Organisational Assessment for Comprehensive Area Assessment 2009

"Significant improvements have been made by the Council in how it manages its money. It is making savings and efficiencies. This has helped the Council to shift money to services that are most important for local people. The impacts of the economic downturn were highlighted early and action was taken to address them. When compared to similar places an average number of local people think that the Council provides value for money.

The Council has a good understanding of its costs. Using a "Business Transformation Programme" it looks at how services are provided and improves them. For example, the re-tendering of drugs services saved nearly half a million pounds".

Awards

- **LGC Finance Efficiency Initiative 2009 – Winner**
The Business Transformation Programme was a key component of this application
- **LGC Awards – Shortlisted** for the "Efficiency and Transformational Government" category – winner to be announced on 24 March 2010

- **Government Business Awards 2010 – Shortlisted** for Procurement, Finance and Waste – winners to be announced on 18 March 2010

7.7 **How could this Consultancy arrangement be further reviewed by this committee**

Scrutiny Committee has already reviewed the Amtec Consultancy contract at its meeting on 8th January 2009 but there are a number of further areas where Members may like to review the process. These include:-

- Business cases – the Council operates a very rigorous business case driven process but Members may like to review the parameters of this both to ensure rigour and to ensure the process does not become overly burdensome on services, which builds cost back into the Council.
- External review – as has been evidenced by the Salisbury City Council model Members may like to undertake a series of interviews with key stakeholders, staff and service providers as part of any review.
- Value criteria (assessment) – the current system looks at a target return on investment of 3:1 in financial terms of any engagement in business transformation over a three year period. This is constantly under review but Members may like to consider whether that parameter is too tough (meaning that good projects don't get funded as they don't meet the ROI) or too lenient (meaning that the return should be higher in a shorter period of time or more risk should be taken by the supplier)
- Framework for decisions about hiring employees v. engaging interims or specialist consultants – a model is being developed within the council that establishes an accurate comparison between the true costs of hiring permanent employees (of which some are hidden "on-costs", not contained within headline salary figures) and the costs of engaging interim managers or specialist consultancies on a project-specific basis. Members may wish to examine whether these true cost comparisons are made sufficiently frequently within the council so as to avoid the risk of permanent engagements being made for pieces of work that have a defined product, as well as ensuring overall that the council pays fair market rates for the work it wishes to see carried out. This model is already being used to assess the relative value/return of short time hires versus establishment staff e.g. business process re-engineering staff.
- IDeA/MCA – it is suggested that both the IDeA and MCA offer useful models of engagement which Members might like to consider using as part of any value assessment.
- Salisbury model – Salisbury City Council considered a detailed review of this subject area and their Scrutiny report is considered a useful background document for Members.

8. **CASE STUDY 2 - SERCO**

8.1 **Background**

The Council's ICT infrastructure is in need of substantial investment and the pressure on Council budgets looking forward meant another approach, other than pure Council borrowing, was required.

ICT is an area where scale can be important. Following detailed analysis by AT Kearney and consultants (appointed through Amtec) the Council undertook a competitive dialogue process to establish the most effective approach to managing a careful balance between substantial investment and cost savings.

Many of the largest ICT companies in the UK bid for the Peterborough contract and all suppliers offered a blend of savings and investment. Overall Serco came top in this process providing both significant savings and investment but also a resilience in terms of scale and skill which the Council can now call on. This breadth of service and contractor resilience is critical if we are to move towards linking our various systems and structures with other partners in Peterborough through the 'Green Shoots' programme through which the council works with other public services to reduce costs and deliver more efficient approaches.

The ICT Managed Service contract provides a range of ICT services such as Networks, Telecommunications, Helpdesk, Desktop, Servers, Hardware, Software, Applications, Development and Advice. It is relatively early days in the life of the contract but the ICT team is working hard both to support and lead change.

8.2 Procurement

Traditional procurement routes such as the open and closed OGC (Office of Government Commerce) procedures were not deemed appropriate given the complexity of the services to be contracted. The OGC Competitive Dialogue route was therefore chosen as it offered the Council and the bidders the opportunity to discuss any and all aspects of the service requirements within the procurement process and thus ensure much greater transparency and accuracy of the final bids.

£3.7m was spent on this contract between April 2009 and December 2009.

8.3 Project Delivery

To date, the new Managed Service, which commenced in October 2009 has delivered the following:

- £550k in annualised cashable savings (£5.5m over the life of the contract)
- Service improvements such as:
 - systems availability up from 99.46% in April 2009 to 99.95% in January 2010
 - server availability up from 99.6% in April 2009 to 100% in January 2010
- A series of new investment projects to support front line service delivery are underway, including:
 - Desktop Image Review
 - Home Performance Review
 - Backlog Review
 - Shared Storage Review
 - Active Directory Review
 - Encryption Review
 - Project Support Offices Initiation
 - Transitioned the ICT service from PCC to Serco
 - Introduced greater governance around changes to the PCC ICT estate
- Begun to transform the PCC ICT provision
- Initiated a cultural change within PCC regarding ICT service provision

9. CASE STUDY 3 – W. S. ATKINS

9.1 Background

WS Atkins provide highway asset management and planning, structures scheme design and supervision, transport planning support including traffic modelling, major scheme design and supervision, minor scheme design and supervision support, development control support and other related technical and design services.

Their contract is a framework contract let on a fee basis against a schedule agreed during the tender process and then revised each year as part of a 'challenge' process.

This challenge process was initially managed by consultants (appointed via Amtec) who both reduced the overall level of spend and reduced the contractual rate the Council is paying. This year the challenge is being managed by a council officer with limited external support and again the rates and the fee proposal has been successfully negotiated lower which reduces the overall level of spend and gives the Council 'more for less' in each consultancy pound it spends.

9.2 Procurement

The contract with Atkins was implemented following a competitive procurement process.

£2.1m was spent on this contract between April 2009 and December 2009.

9.3 Project Delivery

The Atkins contract has delivered among other projects the following:

- Design and supervision of three major GAF schemes: Junction 8, J21-22 Paston Parkway dualling, J2-3 Fletton Parkway improvement
- Design and supervision support on £12m primary route structures programme
- Production of Peterborough transportation model
- Support on Peterborough long term transport strategy

10. CONCLUSION

- 10.1 Conducting a thorough and robust review of the Council's use of consultants is an important piece of work in establishing whether the Council is getting both value for money and improved outcomes from their work.

This report endeavours to give members the tools to conduct a thorough and robust review of this Council's use of consultants by:-

- (a) providing best practice examples of questions and methodologies for conducting reviews;
- (b) providing draft terms of reference for a task and finish group to conduct a review;
- (c) providing officer resource to support such a review
- (d) providing case studies in this report to illustrate the range and breadth that such a review could cover to enable members to take an informed view of this task.

The outcome of the review will achieve a number of objectives, not least being a critical friend to the Cabinet Member for Resources on his role to manage the financial resources of this Council. Further, it will enable all members and the public to get a true picture of the use of consultants supporting the work of this Council in an open, transparent, balanced and fair way.

11. IMPLICATIONS

- 11.1 It is proposed that the review should inform the Cabinet Member for Resources how the Council can increase the VFM from the use of consultants.

12. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 12.1 As set out in the report.

13. APPENDICES

- 13.1 Appendix 1 Minutes of Environment Capital Scrutiny Committee – 14th January 2010
- Appendix 2 List of questions from Sustainable Growth Scrutiny Committee from its meeting on 18th January 2010
- Appendix 3 Report of Best Value and Corporate Resources Policy Overview Committee March 2006
- Appendix 4 Executive's response to the recommendations of the Best Value and Corporate Resources Policy Overview Committee.
- Appendix 5 Monitoring Report (November 2006) of the Best Value and Corporate Resources Policy Overview Committee.
- Appendix 6 I&DeA Members Guide on making savings through better procurement.
- Appendix 7 Scrutiny Review Final Report on the use of consultants – Salisbury District Council March 2008.
- Appendix 8 Management Consultancies Association's Model on the Value of Consulting.
- Appendix 9 Suggested Terms of Reference of Task and Finish Group to look at the use of consultants.

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**MINUTES OF A MEETING OF THE ENVIRONMENT CAPITAL SCRUTINY COMMITTEE
HELD AT THE BOURGES/VIERSEN ROOM - TOWN HALL ON 14 JANUARY 2010**

Present: Councillors D Day (Vice-Chairman), J A Fox, N North and N Sandford

Also Present: Councillor Harrington
Councillor Fletcher
Councillor Todd
Councillor Lee, Deputy Leader and Cabinet Member for Environment Capital & Culture
Councillor S Dalton, Cabinet Advisor for Environment Capital and Culture

Officers Present: John Harrison, Executive Director of Strategic Resources
Paul Phillipson, Executive Director of Operations
Mike Heath, Commercial Services Director
Andrew Edwards, Head of Shared Transactional Services
Steven Pilsworth, Head of Corporate Services
Mark Speed, Transport Planning Team Manager
Michael Stevenson, Project Engineer
Amy Brown, Solicitor
Louise Tyers, Scrutiny Manager

1. Apologies for Absence

Apologies for absence were received from Councillors Burton, Dobbs, Goodwin and Wilkinson.

Apologies were also received from Councillors JR Fox, Goldspink, Kreling, Over and Councillor Seaton, Cabinet Member for Resources.

2. Declarations of Interest and Whipping Declarations

There were no declarations of interest.

3. Minutes of the Meeting held on 12 November 2009

The minutes of the meeting held on 12 November 2009 were approved as an accurate record.

4. Call In of any Cabinet, Cabinet Member or Key Officer Decisions

There were no requests for call-in to consider.

5. Scrutiny of the Budget 2010/11 and Medium Term Financial Plan to 2014/15

Further to the meeting held on 6 January 2010, the Committee continued to scrutinise the proposed budget 2010/11 and Medium Term Financial Plan to 2014/15. The meeting tonight would examine the budget as it related to:

- Scrutiny Commission for Rural Communities
- Sustainable Growth Scrutiny Committee

- Strong and Supportive Communities Scrutiny Committee
- Environment Capital Scrutiny Committee (Operational Issues)

Scrutiny Commission for Rural Communities

The Executive Director of Strategic Resources was asked whether the budget had any specific impacts on the rural communities. He advised that there was nothing specific for the rural communities but he would be presenting the budget to the Parish Liaison Meeting next week which may highlight specific issues.

Sustainable Growth Scrutiny Committee

Observations and questions were asked around the following areas:

- Why were some offices within Council buildings being used as storage? *It was a difficult balancing act between what and when items were needed. A project was looking at storage in a different way, including placing storage where it was needed and ideally looking at electronic storage. There was a need to maximise office space within buildings.*
- What was cheapest, using office space or using a warehouse? *A warehouse would be cheapest but at the current time the Council was tied into existing leases for office space.*
- Some staff were starting to work from home, for example the Revenue and Benefits team and we were also looking at out of city centre offices.
- The budget papers showed the savings which had been made and were expected to be made by the Business Transformation Team. If they were doing such a good job why were we still required to keep increasing the level of Council Tax? Were the savings the Business Transformation programme making going on consultants? *The Business Transformation Programme had saved £24m. The need to raise Council Tax was due to a number of factors including the impact of the credit crunch and recession, leases of council properties and low interest rates which kept the investment income down. The use of consultants was good value for money and covered consultancy work and interim appointments. All consultants were procured properly.*
- We were currently paying around £8-9m per year on consultants, why did we not have the staff with the required the skills to undertake the work. *The last Freedom of Information request was around that figure. We often needed specialist expertise and it sometimes was best to employ people as and when they were needed. We did look to see if we could use the expertise of people internally.*
- It was clear that the Council was continuing to employ consultants at the same level even though we had been given a commitment that the Council was working hard to reduce its reliance on them. It seems that some consultants appeared to be employed on a permanent basis.
- Were there any records which showed the number of consultants employed for more than six months? *There was not a central database kept but within Strategic Resources no consultants were employed for five days a week.*
- The Deputy Chief Executive has been employed on an interim basis for a long time. *The salary of the Deputy Chief Executive had already been raised at a meeting of full Council and a written answer had been given. We looked to engage the best people at the most affordable rates for the benefit of the City.*
- If a consultant is used for a six month contract, are they paid for the full six months or only the days they work within that period? *They were paid on a daily rate. All of the Business Transformation programmes must have a business case approved including the value of any consultants, once agreed any variations had be approved by the Executive Director of Strategic Resources.*

- Why did the Council employ contractors on a long term basis? *It was common practice to employ consultants in areas such as engineering and architectural services, such as our contract with Atkins. Through the Business Transformation programme a business model has been introduced in the Council which is very effective and an exemplar to other authorities. This is shown in our good use of resources scores.*
- An in-depth inquiry should be held into the circumstances of the Deputy Chief Executive post as some members did not feel that the published figures were correct. *The arrangements for the Deputy Chief Executive post would be ending by 31 March 2010 and the Chief Executive was proposing that the post would be vacant for three years. If members wished to undertake an inquiry into the Council's overall use of consultants then the Executive Director would put together clear terms of reference for the remit of any inquiry.*
- A review on the use of consultants had been undertaken by a previous scrutiny committee a number of years ago and it would be useful to see whether the recommendations from that were implemented.
- There were a number of typing errors within the document which needed to be updated prior to going back to the Cabinet.
- Some savings had been made by moving employees to Manor Drive but how committed were the Council to sustainable transport? *A shuttle bus was available for staff at the start and the end of the day and for some members of staff it meant that they had to travel less miles to work.*

RECOMMENDATIONS

- (i) That the Sustainable Growth Scrutiny Committee is recommended to undertake an in-depth inquiry into the cost and effectiveness of the Council's use of consultants and to make recommendations on the future use of consultants by the Council to inform the development of budgets in future years.
- (ii) That the Cabinet be requested to note the Committee's continuing concerns regarding the cost and effectiveness of the Council's use of consultants and its request to the Sustainable Growth Scrutiny Committee to undertake an in-depth inquiry into this issue and to make recommendations on the future use of consultants by the Council to inform the development of budgets in future years.

Strong and Supportive Communities Scrutiny Committee

Observations and questions were asked around the following areas:

- How would the establishment of a Culture and Leisure Trust affect the budget for the coming year and in future years? *There would be implications as there would be an element of efficiency savings that the Trust would have to sign up to. However, the Trust would be entitled to discretionary rate relief on its buildings which would mean savings to the Council. A key benefit would be the agility of the new Trust because as a smaller organisation it would be able to quickly change to different circumstances. Even though the Council would be the main financial contributor, private companies would be able to donate money.*
- One of the outcomes of the Local Area Agreement (LAA) was around improving health outcomes. How would an above inflation increase in fees and charges encourage people to take up sport? *The increase in charges related to areas not going into the Trust. The fees did need to rise and there had been no indication that usage would reduce. Costs such as fuel and salaries had risen so there was a need to balance the budget. If the public wanted to use the facilities then they should pay and the burden should not be put on all Council Tax payers.*

Environment Capital Scrutiny Committee – Operational Matters

Observations and questions were asked around the following areas:

- What was being done about lobbying the government for extra money to fund the Concessionary Fares Scheme? *This was a national issue and the Local Government Association (LGA) were leading the lobbying. The government had agreed to put more money in and this was currently out for consultation but this would not reimburse the actual costs of the Scheme. We would be introducing smart cards which would enable us to get accurate figures on usage. Travel on public transport was much easier in Peterborough than in some cities due to the sustainable travel town initiative.*
- In Peterborough concessionary fares were only able to be used after 9.30am, however in smaller councils, such as South Kesteven, they would be taking off the restriction. *We currently used the national scheme. South Kesteven, as a district council, did not have the pressures that we had. It was a balancing act as we could remove the restriction but something else would have to give.*
- Where were the unattended toilets which it was proposed to close? *In 2009 the Council agreed that City Services had to find £1.8m in savings, the options put forward in the budget papers showed how those savings would be achieved. The savings would be achieved from low use, low take up services. The toilets it was proposed to close were in Dogsthorpe (near the Bluebell pub), Eastfield Cemetery, Alma Road, Nene Park at Orton Mere and the Embankment. The Embankment toilets would be replaced with a facility to provide water for boat users.*
- A lot of large events were held on the Embankment, were these toilets not used and where would visitors to those events go? *These toilets did not have a high use. At the Alma Road toilets syringes were found on a daily basis.*
- Will there be a notice at the closed toilets telling people where the nearest facilities are? *We would look to put notices up.*
- How would the new charge for replacement bins be enforced and could this lead to an increase in fly tipping if people did not pay to replace their bins? *We would replace bins which had been damaged during collection. There was currently a big problem with bins being left out on the highway after collection and fires in bins. We needed to encourage people to look after their bins and it was hoped that introducing the charge would help with this. We did repair bins when were able to, for example, by replacing lids and wheels.*
- This proposal had been suggested before and would hit the people who did not have any options as to where they placed their bins. It may also lead to green waste being placed in the black bins to save on the charge. *People needed to take responsibility for their bins and the best way to do this was to mark their bin with their house number. Again, it was a balancing act as the majority of people looked after their bins responsibly. Leaving bins out after collection caused problems with footpaths being blocked and other neighbourhood problems.*
- Will you write into the policy that if the loss of the bin was not their fault, for example theft, residents would not have to pay the charge for a replacement? *Everybody would have to pay in all circumstance unless the Council damaged the bin during collection. There would be no appeals process and if a bin was stolen householders should report it to the police.*
- It was accepted that someone, whether householders or the Council, had to pay for the bin, people should be encouraged to get together with neighbours to help bring in bins when people were not there.
- Was the bulky waste and white goods collection charge an increase in the charges for second and subsequent collections or would all collections be charged? *All collections would be charged at a flat rate of £20 for each collection.*

- Would the removal of the subsidy from school meals impact on the viability of the school catering service? Would you be expecting any schools to look for an alternative provider? *Each school would make their own decisions.*
- £600,000 had been allocated for water taxis but this was not one of the priorities in the Local Transport Plan (LTP). *We would look to incorporate this in the next LTP as it was a good mode of environmental travel.*
- Would the realignment of bus services lead to a reduction in public transport? *We were continually looking at the bus services which were provided. The Committee should look at the proposals when they are brought forward and review them in the proper way.*
- In last year's budget there was a proposed saving due to ceasing staff parking permits but nothing has happened? *The proposal was still in the budget and we were currently engaged with the unions at the moment so we could understand the concerns of staff. It was not a straight forward issue as there were a number of variances in the different buildings where staff worked. We needed to consider the impact on staff and we would be working to try and persuade staff to use public transport.*
- The Independent Members Allowances Panel had also recommended that members' permits should stop and members' should be seen to lead the way. *We were actively considering all of the options.*
- The budget had a number of significant borrowing requirements, including an Energy from Waste facility, but where were the specific capital costs of the facility in the budget documents? *There was a clear line in the budget for the waste programme and was shown in the Capital Programme. Officers would be happy to give a breakdown of the individual elements of the programme. £53m had been included for an Energy from Waste facility and the procurement exercise had commenced.*
- The £53m does not include the revenue costs for the facility. The money borrowed had to be repaid so would be a burden on the budget. *Nothing had been hidden and the slides that the Deputy Leader had used to show the costs could be made available. Nothing was being deliberately withheld but we were currently in commercial negotiations so we were restricted in what we could say at this time.*
- Would we be required to take in waste from other areas to protect the sustainability of the facility? *The size proposed for the facility would accommodate the waste needs for the city. There would be a small gap at the start and we may need to take in some external waste for that period.*
- Richard Olive of Friends of the Earth addressed the Committee on the proposed costs of the Energy from Waste facility.
- There were a number of figures in the report from Friends of the Earth which needed to be examined. *If it did not compromise the position of the Council officers would be happy to publish the figures at a public meeting of the Committee so that everyone understood the full picture.*
- It had previously been agreed to hold trials for food waste collections but this was not now in the budget. *This initiative has been delayed for a year to enable more work to be undertaken before it was brought in.*
- Could composters be used as an alternative option to food waste collections? The composters could be expensive but the Council could use its buying power to buy in bulk and then sell on to residents. *The Deputy Leader was happy for councillors to trial new systems for waste collections and would write to all councillors making that offer.*

Summary of Recommendations

- (i) That the Sustainable Growth Scrutiny Committee is recommended to undertake an in-depth inquiry into the cost and effectiveness of the Council's use of consultants and to make recommendations on the future use of consultants by the Council to inform the development of budgets in future years.

- (ii) That the Cabinet be requested to note the Committee's continuing concerns regarding the cost and effectiveness of the Council's use of consultants and its request to the Sustainable Growth Scrutiny Committee to undertake an in-depth inquiry into this issue and to make recommendations on the future use of consultants by the Council to inform the development of budgets in future years.

ACTION AGREED

The detailed figures for the Waste 2020 programme to be brought to a future meeting of the Committee.

6. Draft Local Transport Plan Capital Programme

Each financial year, through the Planning Guideline process, the Council was awarded an allocation of funding from central Government to spend on transportation schemes and maintenance of the road network. To ensure that this money was spent effectively the second Peterborough Local Transport Plan (2006–2011) was developed, in consultation with a wide range of key stakeholders and was approved by full Council. The Council considered a range of transport solutions to best address local problems, meet the growth aspirations of the City and integrate the Government's 'shared transport priorities' agreed nationally by the Local Government Association (LGA) and the Department for Transport (DfT).

The Council has allocated a total of £10.406m for 2010/11 from the funding awarded from central Government (Table 1 refers) and the allocations for Integrated Transport and Capital Maintenance were awarded on the basis of a formulaic calculation that took into account a number of parameters for example passenger numbers, road lengths, Best Value Performance Indicators (BVPI) etc. Primary Route Network funding (PRN) was an allocation which was specifically ring fenced for the maintenance of structures on strategically important transport corridors. This allocation was set following the determination of an evidence based bid submitted to Government in August 2007. A further sum of £0.390m of transport resource funding was also awarded, the details of which are shown in Table 2. In addition to the external funding Corporate Capital funding has been allocated to areas detailed in Table 3.

Table 1 – LTP capital allocation

	2010/11	2009/10
Integrated transport (block)	£1.939m*	£2.289m
Capital maintenance (block)	£2.085m*	£2.407m
Road Safety Grant	£0.072m	£0.073m
Primary route network (ring fenced)	£6.310m*	£6.310m
Total	£10.406m	£11.079m

* The figures shown in Table 1 did not include funds carried forward from 2009/10 financial year.

Table 2 – Transport Resource Funding

	2010/11	2009/10
Specific Road Safety Grant (Resource)	£0.300m**	£0.305m
Detrunked Roads Maintenance (Resource)	£0.061m**	£0.060m
Total	£0.361m	£0.365m

** Both the Specific Road Safety Grant and the Detrunked Roads Maintenance Grant were classified as Area Based Grants and a bid had been submitted to Strategic Finance for the sums indicated.

Table 3 – Corporate Capital Funding

	2010/11	2009/10
Highways Capital Maintenance	£0.542m	£0.765m
Roads and Bridges	£0.122m	£0.250m
Street Column Replacement	£0.200m	£0.245m
Off Street Car Park Structural work + resurfacing	£0.100m	£0.117m
Total	£0.964m	£1.377m

Observations and questions were asked around the following areas:

- Was LTP funding being used to progress the suggestions of water taxis and cable cars? *That work would be using different funding as they were not in the LTP. The proposals were being looked into as the river had great potential to help with the LTP. Officers were waiting for the Environment Agency Water Strategy to be completed to inform the water taxi options and a report would be brought to the Committee when it was completed.*
- A number of faults with street lighting at Gresley Way had been raised as the lights had been out for 18 months. Will the money proposed in the programme be sufficient to deal major faults or do we need additional money? *Officers undertook to look at the issues and report to members outside of the meeting.*
- Electric vehicles were becoming more common but there was not any where in the city centre to charge them up. *This had been identified for the Long Term Transport Strategy (LTTS) and officers would bring this Strategy to a future meeting.*
- Councillor Sandford advised that he had tried for a long time to get a bus shelter by the Brotherhoods Retail Park but had not been successful; could funding be used to address this? *The cycle network went through where any bus stop would go so we would have to buy an area of land adjacent to the network for a shelter; however the owners had refused to sell the land.*
- The maintenance budget for bus shelters had been reduced last year, was LTP funding being used to compensate for that reduction? *There was a reduction in the budget as replacement costs were high. New shelters lasted longer and were harder to vandalise. We would look at provision as part of new developments through S106 agreements and other sources.*
- The real time information displays at bus stops on Lincoln Road outside the Paul Pry had not been replaced, was there a plan to replace them? *Officers undertook to look at the issue and report to members outside of the meeting.*
- Could additional train stations be looked at as trains could be considered as a future way to help with park and ride? *The LTTS was looking at park and ride and rail could be included within the solutions.*
- When would the Welland Road roundabout be opened? *A Road Safety Audit was due to be undertaken next week and the road may be able to be opened. Work has been affected by the weather as road markings could not be put down.*
- Members were encouraged that options for park and ride were being looked at and they would like to see a report at a future meeting.

RECOMMENDATIONS

That the Committee recommends the Draft Local Transport Plan Capital Programme 2010/11 to the Cabinet Member for Neighbourhoods, Housing and Community Development.

ACTION AGREED

That reports on the following be brought to future meetings when available:

- Options for Park and Ride
- Water Taxi Options

- Long Term Transport Strategy

7. Forward Plan of Key Decisions

The latest version of the Forward Plan, showing details of the key decisions that the Leader of the Council believed the Cabinet or individual Cabinet Members would be making over the next four months, was received.

ACTION AGREED

To note the latest version of the Forward Plan.

8. Work Programme

We considered the Work Programme for 2009/10.

With the recent adverse weather conditions, members felt that it was important to review the actions taken since we had considered this item earlier in the year.

ACTION AGREED

To add the following items to the work programme:

- Cost for the Waste 2020 Programme – date to be confirmed
- Options for Park and Ride – date to be confirmed
- Water Taxi Options – date to be confirmed
- Long Term Transport Strategy – date to be confirmed
- Adverse weather conditions – review of actions – date to be confirmed

9. Date of Next Meeting

Tuesday 2 February 2010

CHAIRMAN
6.30 - 9.08 pm

Sustainable Growth Scrutiny Committee. Date of Issue 18th January 2010.

Please provide answers into the use of and cost of all consultants employed or contracted to PCC over the past two years.

Identify all consultancy companies.

Identify any company which may be sub-contracting to the main consultancy company.

Identify the employees of the subcontracting company who may be actually working for PCC.

Are the employees of the sub-contracting company directors of that company.

Identify any other individuals who may be operating on a self employed basis and are engaged by PCC.

Identify the service period of any and all individuals who have been employed by PCC, on a consultancy basis, either directly or indirectly.

Clarify the actual reason for the engagement of all consultants and companies. The areas of work undertaken and the financial benefits derived from that employment.

Clarify the status of Amtec PLC in relation to V4 Ltd and method of remuneration.

Who actually makes the decision to engage a consultant and how is this decision actually authorised.

Who determines what rate is paid.

Exactly what rate is paid, plus any other fees which may be involved.

Provide documented evidence by way of a copy invoice as proof of all monthly payments.

Provide documented evidence of the actual yearly cost of all consultancy fees.

What action is being taken to reduce the reliance on consultants.

What recommendations, if any, were implemented following on from an enquiry held some five or six years ago into the use of consultants.

Please provide a full and comprehensive response within four weeks of the above date so that any queries can be clarified prior to the March 15th meeting.

Please ensure this item is placed on the March 15th agenda.

Cllr: Michael Fletcher, Chairman.

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REVIEW OF THE USE OF AGENCY STAFF AND CONSULTANTS

**Report of the Best Value and Corporate Resources
Policy Overview Committee**

March 2006

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1. INTRODUCTION

In September 2005, the Best Value and Corporate Resources Policy Overview Committee agreed to undertake a review of the Council's use of agency staff and consultants.

A review group was established to examine this issue in detail on behalf of the Committee. This report was agreed by the Best Value and Corporate Resources Policy Overview Committee on 23 March 2006 and was submitted to the Cabinet for their consideration.

The Committee would like to thank all the members of the Group for their time and effort in producing this report.

The review group comprised of the following people:-



Councillor Michael Burton
Conservative Member for West Ward



Councillor Cathy Weaver
Labour Member for Orton
Longueville Ward



Councillor Charles Swift
Minority Parties Member for North Ward



Councillor John Crane
Liberal Democrat Member for Orton
Waterville Ward



Councillor Stephen Lane
Independent Member for Werrington
North Ward

The Group was supported by Louise Tyers, Scrutiny Manager and Hilary Gallup, Governance Support Officer.

2. SUMMARY OF RECOMMENDATIONS

Recommendation 1

That a centralised list of consultants used by the Council should be maintained.

Recommendation 2

That when there is a need to appoint someone for a time limited piece of work, the Council's policy should be to look within existing staff first to see if anyone has the required skills.

Recommendation 3

When the use of consultants is being considered, a full assessment on the risks of not undertaking the work should be carried out.

Recommendation 4

When a contract comes to an end, a full review of the work and a view on the value for money should be undertaken. These should be kept centrally so there is a corporate record of the suitability of consultants.

Recommendation 5

There should be a clear process and procedure in place for deciding whether or not to appoint a consultant and this should form part of the Council's Constitution. This should include levels of authorisation e.g. Cabinet member, Director, Head of Service, Senior Manager and when the tender process should be used for obtaining the services of a consultant. This will ensure that there is a clear audit trail for the whole appointment process.

Recommendation 6

Each project should be assessed individually and a reasoned decision made as to whether or not to appoint a consultant. No additional pieces of work should be given to a consultant without this process having been gone through.

Recommendation 7

Full terms of reference for each appointment should be drawn up and approved by the relevant Director or Head of Service.

Recommendation 8

The relevant committee should monitor the work of the Programme Boards to ensure that the new project management processes are being implemented in all areas of the Council's work.

Recommendation 9

Guidance on the use of agency and temporary staff, including the full implications of employing such staff, should be developed and provided to all managers.

Recommendation 10

That all managers are made aware of the proposed changes to legislation regarding agency employees and that its impact should be considered before employing such staff, if the changes are introduced.

Recommendation 11

The use of agency staff for engagements longer than three months should be discouraged.

Recommendation 12

That the monitoring of the use of agency staff should be centralised so that the number of agency staff employed by the Council is known, along with how long they have been employed for and which departments use agency staff regularly.

Recommendation 13

That HR progress their work on succession planning and recruitment quickly to enable the Council to move forward as an employer of choice.

3. PURPOSE OF THE REVIEW

The purpose of the Review was:-

- To examine how and why Peterborough City Council uses consultants and how much is spent on engaging consultants.
- To form an opinion as to the effectiveness of the consultants engaged and what impact their work has had.
- To examine how and why Peterborough City Council uses agency/temporary staff and how much is spent on engaging agency/temporary staff.
- To examine whether the introduction of agency/temporary staff has had an impact on the cost and quality of staff engaged.
- To examine how much consideration is given to alternatives to engaging agency/temporary staff or consultants.

4. BACKGROUND TO THE REVIEW

This review was undertaken following concerns raised by a number of councillors about how much the Council spends on external consultants and whether we are receiving value for money.

In the 2004/05 financial year, the Council spent £4.6m on external consultants. The work undertaken comprised a number of elements, including expert advice, planning consultancy, recruitment support, specialist staff, interim management and project support.

5. METHODOLOGY

The Review Group met on five occasions.

Interviews were undertaken with Barbara Prince, Group HR Manager, Mike Health, Director of Contract Services and Mohammed Mehmet, Director of Children's Services.

All Directors were asked to supply details of the consultants used over the 2 year period ending 31 March 2005. They were asked to include details of the cost, funding, level of authorisation, whether the consultancy is ongoing and the justification for the use of the consultant.

6. FINDINGS

CONSULTANTS

- 6.1 There is no centralised list of the consultants used by the Council. This means that there is no easily accessible record of whether a consultant has provided value for money and whether or not they should be used again. The Strategic Procurement Unit has advised that the category of consultants would be added to the Contracts Management System.

Recommendation

That a centralised list of consultants used by the Council should be maintained.

- 6.2 There also appears to be no corporate policy on when consultants should be engaged and how they should be appointed. This appears to be entirely the decision of the director concerned. The process for approving the use of consultants also appeared to vary between departments.
- 6.3 The Group felt that often there was the opportunity for an existing employee to act up and queried whether this was Council policy and whether the Council was aware of the full range of skills of its employees and whether this could be considered as an alternative to recruitment or the use of consultants. Officers have confirmed that the Council does have a Secondment Policy in place. However, it was accepted by officers that the Council was not currently particularly good at succession planning and that this was being addressed through new initiatives such as 'talent-spotting'. A Skills Audit is currently underway to collate the skills possessed by current employees.

Recommendation

That when there is a need to appoint someone for a time limited piece of work, the Council's policy should be to look within existing staff first to see if anyone has the required skills.

Contract Services Department

- 6.4 From the evidence seen, it appears to vary between departments who authorises the use of consultants. In Contract Services, the Director confirmed that senior managers within his department would not be able to sign off the use of a consultant without his consent. However, Heads of Service are encouraged to take responsibility for the justification of using a consultant. The Director acknowledged that the use of consultants can be emotive and any potentially emotive issues must be referred to him. When proposing to use any consultant, managers have to fully make a case for the proposed appointment which is then passed through to him for consideration; this includes confirming where the funding for the consultant is to come from. Initially he would want to know what other options had been considered, and whether the department had the relevant skills and expertise in-house which could be utilised. In the broader context of the Council, there might be an opportunity for a secondment, or the use of a temporary member of staff might be considered. Only when these avenues had been exhausted would the use of a consultant be confirmed.
- 6.5 To illustrate why a consultant may be used within his department, the Director highlighted a case where ownership of some land had apparently not been transferred to the Council. The risk of injury and consequent claim had to be considered, and there was no record of what might be on the land from its previous use. It was considered essential to undertake an assessment of the land. Expertise was available within the Council but following enquiries it was felt that that there was insufficient capacity to carry out the work within the timescales required. The next step was to consider having the assessment carried out by the Property Services Section, with the possibility of someone being trained in the necessary competences. The other options were to employ a suitable person for this task through an agency or go to an outside contractor. Although the issue was viewed as urgent, it was still necessary to select the most cost-effective option. The degree of

risk in not undertaking the work was also considered. The Council's insurers advised that in this case there would be a significant increase in insurance premiums.

- 6.6 The Group saw this example as a case where a decision had to be made on the facts available at the time, including an assessment of the risk of not doing the work. They were pleased that the process followed showed that all routes had been considered. The Director confirmed that there was not anything in Council policy that states that issues must be handled in this way, however there is a requirement to demonstrate best value.

Recommendation

When the use of consultants is being considered, a full assessment on the risks of not undertaking the work should be carried out.

- 6.7 Whilst examining the list of consultants who have been engaged during the past two years, it was noted that there was a consultant within the Contract Services department who appeared to be engaged on an ongoing basis. The Director was asked to explain why this approach was being taken. In response, the Director confirmed that the consultant in question had been working two days per week but had dropped to one day a week after Christmas. He had been engaged due to his suitability as an adviser on the impending relocation of the Depot. He stated that one of the advantages of continuing with the same consultant was that he would have already become familiar with the department and the Council. Therefore this makes the continued use of the same consultant more cost-effective than starting again with a new consultant.

Children's Services Department

- 6.8 The Director of Children's Services was interviewed by the Group to discuss the principles involved in the recruitment of agency and temporary staff and the engagement of consultants within his department. In particular, the Group was interested to know what involvement he had at director level, and what criteria were used to decide upon an appointment. He confirmed that the arrangements and the funding varied between the different sections of the department as some sections used temporary staff or consultants more than others. The Learning and Standards team, which gives support to schools and pupils, makes considerable use of consultants. These are people who are specialists in the different curriculum subjects and work in schools in connection with delivering the curriculum, or other aspects of the school's profile. The Council does not have these skills in-house because it was not practicable and would be very expensive for an authority of this size to have an in-house expert in each subject. Most schools will pay for this service directly and the department is only facilitating the provision of the service. At secondary school level, the Council has two advisers who ensure that best value implications are taken into account when a specialist adviser is used. If the authority was to look at appointing specialist advisers, the level of salary would be about £45,000 per annum. With regard to the use of consultants, a list for a particular specialism would be given to a school from which a selection is made. At the end of each appointment, feedback is requested and consultants who it is felt are not providing value for money should not be used again. In cases where the DfES supply a list of consultants, the Director confirmed that it depended on the type of work whether a contract was put out to tender. If there was a need for a consultant to provide one days work, then this would not be put out to tender but if the input required is significant in terms of time or cost, then it would go out to tender. A Head of Service or Assistant Director would monitor this process.

Recommendation

When a contract comes to an end, a full review of the work and a view on the value for money should be undertaken. These should be kept centrally so that there is a corporate record of the suitability of consultants.

6.9 The Strategic Resources team deals with the secondary schools review and has made extensive

use of consultants such as architects, accountants and legal advisers under the PFI. As has been proved, it is essential to have very good advice in this complex area, although this is expensive and the skills at this level are not maintained in-house. In all other cases, such as planning school policy, admissions, budgets and ICT, the team utilises its own staff. Children's Social Care makes very little use of consultants. Occasionally it might be necessary to commission an independent person or organisation to carry out a specific task but these areas are funded almost exclusively by central government grant. Little use is made of agency staff (as opposed to consultants), although looked-after children are placed with external agencies. The department has no policy on temporary staff, and as a matter of good practice appointing on a temporary basis is avoided where possible.

6.10 For work, other than in the schools environment, the Director confirmed that if a consultant was identified for a particular piece of work, a specification would be drawn up for the work to be done and how it should be accomplished. If this was done at a level below Assistant Director, then it would be cleared with the Assistant Director and then it would be commissioned on a competitive basis. The Assistant Director would not be involved in contracts where the cost was relatively low. It is accepted that budgetary pressures may influence or dictate which route to take. The Group had some concerns with this approach because if existing officers did not have the appropriate skills to undertake the work, how would they have the appropriate skills to draft the specification properly and know if the right person was appointed, or the work done correctly.

6.11 It was noted that some very big firms are used by the Children's Services department. The Group questioned whether this was an efficient use of resources as the people who undertake this type of work would know nothing about the department or the Council and therefore their first steps are to get information from the employees in the department in order to analyse it. Further work is then required in order for the identified issues to be examined. In response, the Director advised that with very large projects, such as PFI, the use of technical advisers is unavoidable. The difference between these and other consultants lies in the very high level of technical skill. Either this has to be developed in-house or it has to be paid for.

Control of Consultants

6.12 The Group felt that the use of consultants must be carefully controlled. It is important that the contract for the use of any consultancy services is written correctly with as least risk as possible to the Council. The appointing manager should fully understand any contract which it is being proposed to enter into and if they are unclear or not satisfied with the proposed terms of contract then they should seek the appropriate advice from the Strategic Procurement Unit before entering into any agreement. With regards to the recruitment of consultants to assist with the Private Finance Initiative for secondary schools, the Director of Children's Services confirmed that as there was a lack of experience within the Council, the proposed outcomes were checked by the Department for Education and Skills. With the new Programme Boards which the Council has established, it was hoped that they will provide a greater certainty in overseeing decisions but it should be accepted that they can not eliminate all risks. Subsequently, if there is evidence that the agreed work had not been undertaken correctly or bad advice had been given, then a claim should be considered against the consultant.

6.13 The Group noted that in some cases a consultant was employed for one piece of work and then because they had completed that job well, and fitted in, further pieces of work were put their way without an assessment being undertaken of whether a consultant was needed for the additional work. This may be because an individual/firm of consultants was reaching the end of their current contract and it was the easier option to put further work their way.

Recommendation

There should be a clear process and procedure in place for deciding whether or not to appoint a consultant and this should form part of the Council's Constitution. This should include levels of authorisation e.g. Cabinet member, Director, Head of Service, Senior Manager and when the tender process should be used for obtaining the services of a consultant. This will ensure that there is a clear audit trail for the whole appointment process.

Each project should be assessed individually and a reasoned decision made as to whether or not to appoint a consultant. No additional pieces of work should be given to a consultant without this process having been gone through. Full terms of reference for each appointment should be drawn up and approved by the relevant Director or Head of Service.

The relevant committee should monitor the work of the Programme Boards to ensure that the new project management processes are being implemented in all areas of the Council's work.

AGENCY/TEMPORARY STAFF

- 6.14 The Group HR Manager met with the Group and explained the legal position regarding the use of agency and temporary staff. Staff employed on a temporary or fixed term basis are on the Council's payroll, whereas agency staff are not paid directly by the Council but payment is made to the agency that supplied them. Rolling individual contracts of up to 12 months which have been extended for a further 12 month period can only be extended up to four years. On the anniversary of the fourth year the individual automatically becomes permanent by default. This is also the position with regards to fixed term contracts. It is possible for a temporary staff member to transfer to a different, temporary role following consultation and acceptance of the new terms by the temporary employee.
- 6.15 A 'consultant' is self-employed and therefore receives no benefits from the Council. They are not normally employees of the Authority, but in the event of a dispute and in order to prevent a consultant asserting that he has the status of an employee, and to claim employment rights such as unfair dismissal or redundancy, careful consideration should be given as to the basis on which the consultant is retained or the arrangements entered into with them for their services.

Agency Staff

- 6.16 Managers are expected to use the preferred agency suppliers unless the use of an alternative supplier could be justified. However it was felt by the Group that there was not any evidence that this system was being used throughout the Council. It was HR's view that best practice was that agency staff should not be used for contracts of more than three months. If a contract for longer was required, attempts should be made to employ someone on a temporary or fixed term basis.
- 6.17 Employment agencies are responsible for providing agency employees with their statutory employment benefits such as paid holidays, statutory sick pay. Normally, if an agency worker is off work owing to sickness, the agency may be asked to provide a replacement. Proposed changes in legislation may result in the employer's statutory obligations being transferred from the agency to the host employer. This is the result of European legislation, encompassing the Human Rights Act and the Equal Treatment Directive. This will dramatically alter the position on the advantages and disadvantages of using agency staff as opposed to temporary staff. It was noted that temporary staff can by law access employees' benefits such as the pension scheme once they have been employed for a consecutive three-month period. It was considered that this was an issue that needed to be highlighted. It was confirmed that the on-costs of temporary or permanent staff are 15%- 20% of salary. Therefore, the proposed new legislation is likely to add a similar amount to the costs of employing agency workers. The advantage to the Council of employing agency (as opposed to temporary) staff is that if the individual supplied is not satisfactory, the Council can terminate employment without the need to give notice (as would be the case with temporary staff other than at the end of a fixed term) and seek an alternative if required. This will also negate potential litigation for unfair dismissal.
- 6.18 The Strategic Procurement Unit have advised that they are currently developing guidance for managers on the use of agency staff.

Recommendation

Guidance on the use of agency and temporary staff, including the full implications of employing such staff, should be developed and provided to all managers.

That all managers are made aware of the proposed changes to the legislation regarding agency employees and that its impact should be considered before employing such staff, if the changes are introduced. The use of agency staff for engagements longer than three months should be discouraged.

- 6.19 HR does not get involved with the engagement of agency staff as each department appoints their own. It therefore follows that HR are not necessarily aware that an individual has moved from one department to another in a temporary role. At the present time it is not possible, without enquiring separately of every department, what the current level of agency staff working at the Council is. In answer to a query on why the HR team is not involved in the employment of agency staff, it was noted that the department was not resourced for this activity and if it was agreed that this process should be controlled centrally, then there was a need for a system to be established. The Council used to run its own 'casual' pool of temporary staff, these were people who had been interviewed by the Council and had various skills. This involved considerable amount of administrative input and had been discontinued, as applicants were not prepared to wait for intermittent work when they can obtain temporary work to suit individual circumstances from the numerous employment agencies within the area. As part of the corporate contracts which cover ICT, Accountancy, Secretarial & Admin and Manual Skilled agency staff, the 'preferred agencies' provide a monthly report on all assignments.

Recommendation

That the monitoring of the use of agency staff should be centralised so that the number of agency staff employed by the Council is known, along with how long they have been employed for and which departments use agency staff regularly.

- 6.20 Work is being carried out as part of the updating of the Council's recruitment processes, where it was expected that there would be more attention paid to succession planning, training and appropriate qualifications. This is in line with the requirements of a modern organisation which needs people with a range of skills. The contending claims of qualifications against experience were noted, and it was acknowledged that a balance was required. The requirement for previous experience with a local authority was discussed and it was noted that this could be addressed by making previous local authority experience a desirable attribute when appropriate, rather than an essential requirement as it was felt that the scope should be widened as much as possible to attract the widest range of applicants.

Recommendation

That HR progress their work on succession planning and recruitment quickly to enable the Council to move forward as an employer of choice.

7. NEXT STEPS

If our recommendations are accepted by the Cabinet, Officers will develop a full action plan to ensure that the recommendations are taken forward. This Action Plan will be regularly monitored by the Best Value and Corporate Resources Policy Overview Committee.

8. ACKNOWLEDGEMENTS

The members of the Review Group would like to thank all the Council officers who contributed towards the work of this review, particularly:

Mike Heath
Mohammed Mehmet
Barbara Prince

Director of Contract Services
Director of Children's Services
Group HR Manager

Further information on the Review is available from:

**Scrutiny Team
Performance Management Division
Chief Executive's Department
Town Hall
Bridge Street
Peterborough
PE1 1HG**

**Telephone – (01733) 452284/452324/452508
Email – scrutiny@peterborough.gov.uk**

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BEST VALUE AND CORPORATE RESOURCES POLICY OVERVIEW COMMITTEE

REVIEW OF THE USE OF AGENCY STAFF AND CONSULTANTS

RESPONSE OF THE EXECUTIVE

The Cabinet considered the recommendations from the Review at their meeting on 3 April 2006.

Rec No.	Recommendation	Response of the Executive
1.	That a centralised list of consultants used by the Council should be maintained.	All recommendations were approved by the Cabinet with the proviso that any new procedures be delegated to the Director of Strategic Resources and must be sufficiently flexible and responsive to allow for prompt hiring when necessary.
2.	That when there is a need to appoint someone for a time limited piece of work, the Council's policy should be to look within existing staff first to see if anyone has the required skills.	
3.	When the use of consultants is being considered, a full assessment on the risks of not undertaking the work should be carried out.	
4.	When a contract comes to an end, a full review of the work and a view on the value for money should be undertaken. These should be kept centrally so that there is a corporate record of the suitability of consultants.	
5.	There should be a clear process and procedure in place for deciding whether or not to appoint a consultant and this should form part of the Council's Constitution. This should include levels of authorisation e.g. Cabinet Member, Director, Head of Service, Senior Manager and when the tender process should be used for obtaining the services of a consultant. This will ensure that there is a clear audit trail for the whole appointment process.	
6.	Each project should be assessed individually and a reasoned decision made as to whether or not to appoint a consultant. No additional pieces of work should be given to a consultant without this process having been gone through.	
7.	Full terms of reference for each appointment should be drawn up and approved by the relevant Director or Head of Service.	
8.	The relevant committee should monitor the work of the Programme Boards to ensure that the new project management processes are being implemented in all areas of the Council's work.	
9.	Guidance on the use of agency and temporary staff, including the full implications of employing such staff, should be developed and provided to all managers.	
10.	That all managers are made aware of the proposed changes to the legislation regarding agency employees and that its impact should be considered before employing such staff, if the changes are introduced.	
11.	The use of agency staff for engagements longer than three months should be discouraged.	
12.	That the monitoring of the use of agency staff should be centralised so that the number of agency staff employed by the Council is known, along with how long they have been employed for and which departments use agency staff regularly.	
13.	That HR progress their work on succession planning and recruitment quickly to enable the Council to move forward as an employer of choice.	

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BEST VALUE AND CORPORATE RESOURCES POLICY OVERVIEW COMMITTEE

REVIEW OF THE USE OF AGENCY STAFF AND CONSULTANTS

MONITORING OF RECOMMENDATIONS

(These recommendations were approved by the Cabinet with the proviso that any new procedures be delegated to the Director of Strategic Resources and must be sufficiently flexible and responsive to allow for prompt hiring when necessary)

Reported to Committee on 20 November 2006

Rec No.	Recommendation	Progress
1.	That a centralised list of consultants used by the Council should be maintained.	As part of the implementation of the Business Change Programme, the Council is implementing a new version of the Oracle IT system. This includes new improved and tighter central procedures in respect of approved contracts. As part of this, work only contracts that exist with approved suppliers will be maintained on the system. Any changes must be approved in advance and therefore appropriate Contract Standing Orders procedures must be followed to add a new supplier e.g. consultant to the list.
2.	That when there is a need to appoint someone for a time limited piece of work, the Council's policy should be to look within existing staff first to see if anyone has the required skills.	The proposal is actively considered by departments and is a necessary requirement of ensuring that the Council maintains spending within the approved cash limits. This has been particularly useful in areas such as preparation for CPA corporate assessment where members of the "Futures Group" were seconded to the Assistant Chief Executive's department to support the work. The development of a skills database of all employees is part of the business plan for the Human Resources division.
3.	When the use of consultants is being considered, a full assessment on the risks of not undertaking the work should be carried out.	As part of the Council's business planning process each department has an agreed set of objectives to deliver within the overall resources allocated to it as part of the budget process. These are reported to Cabinet and Scrutiny Committee on a quarterly basis. To ensure that these are delivered and key performance indicators are achieved each service must ensure the most appropriate form of delivering the work to be considered. As recognised in the original Policy Overview Committee report this will have regard to legislative matters. In particular the Council's programme management arrangements will consider business cases for specific projects. This includes the proposed resources (and forum) for delivery.
4.	When a contract comes to an end, a full review of the work and a view on the value for money should be undertaken. These should be kept centrally so that there is a corporate record of the suitability of consultants.	These are kept by individual departments but will be centralised in 2007/08 as part of the Oracle implementation and construction of the new contract management system.

Rec No.	Recommendation	Progress
5.	There should be a clear process and procedure in place for deciding whether or not to appoint a consultant and this should form part of the Council's Constitution. This should include levels of authorisation e.g. Cabinet Member, Director, Head of Service, Senior Manager and when the tender process should be used for obtaining the services of a consultant. This will ensure that there is a clear audit trail for the whole appointment process.	There is currently a review of Contract Standing Orders being undertaken which will be reported to Council in December 2006. These recommendations have been incorporated within this review.
6.	Each project should be assessed individually and a reasoned decision made as to whether or not to appoint a consultant. No additional pieces of work should be given to a consultant without this process having been gone through.	
7.	Full terms of reference for each appointment should be drawn up and approved by the relevant Director or Head of Service.	
8.	The relevant committee should monitor the work of the Programme Boards to ensure that the new project management processes are being implemented in all areas of the Council's work.	The effectiveness of the Council's programme management arrangements is monitored and reviewed by the Corporate Programme Board of which the Leader is a member. An All Party Policy briefing on arrangements was given in October 2006.
9.	Guidance on the use of agency and temporary staff, including the full implications of employing such staff, should be developed and provided to all managers.	A draft policy has been produced covering temporary labour and agency staff. The next step is for the policy to be agreed and communicated to line managers with guidance notes.
10.	That all managers are made aware of the proposed changes to the legislation regarding agency employees and that its impact should be considered before employing such staff, if the changes are introduced.	
11.	The use of agency staff for engagements longer than three months should be discouraged.	
12.	That the monitoring of the use of agency staff should be centralised so that the number of agency staff employed by the Council is known, along with how long they have been employed for and which departments use agency staff regularly.	The moratorium on recruitment has raised issues concerning temporary agency staff and controls will be put in place through this project.

Rec No.	Recommendation	Progress
13.	That HR progress their work on succession planning and recruitment quickly to enable the Council to move forward as an employer of choice.	The job evaluation projects will drive out generic job roles which is an essential building block to the achievement of succession planning.

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Regional Improvement and Efficiency Partnerships

East of England

Cecilia Tredget
Director, Improvement East
T: 01284 729 464

East Midlands

Chris Allison
Director, East Midlands Improvement and Efficiency Partnership
T: 0115 977 3875

London

Steve Johnson
Corporate Director, Capital Ambition
T: 020 7934 9997

North East

Martin Ryan
Programme Director, North East Improvement and Efficiency Partnership
T: 0191 261 3904

North West

Gillian Bishop
Chief Executive, North West Improvement and Efficiency Partnership
T: 01942 705 481

South East

Andrew Larner
Regional Director, Improvement and Efficiency South East
T: 01883 732 957

South West

Bryony Houlden
Chief Executive, South West Improvement and Efficiency Partnership
T: 01823 270 101

West Midlands

Andy Hancox
Director, Improvement and Efficiency West Midlands
T: 0121 245 0220

Yorkshire & Humber

Chris Taylor
Director, YoHr Space
T: 01924 335 599

RIEPs Programme Office

Keith Beaumont
Programme Manager
T: 020 7296 6828

Visit:
www.idea.gov.uk/rieps



Regional Improvement and Efficiency Partnerships



Local Government Association

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improvement and development agency

1 Members' Guide ✓

Top tips for making savings through better procurement in professional services

As local government finances are squeezed during difficult economic times it will become even more important for councils to work together to save money and keep council tax down. This series of member guides provides tips on how your authority can make savings through better procurement.

Making savings on Professional services

Did you know?

Councils could save up to £280m through using agency staff and consultancy services more efficiently. Read on to find out how your council could benefit.

What are professional services?

Professional services is a collective term which includes Temporary Agency Staff and Consultancy. It is the fourth biggest external spend area in local government, after construction, adult social care and waste.

Why should it matter to members?

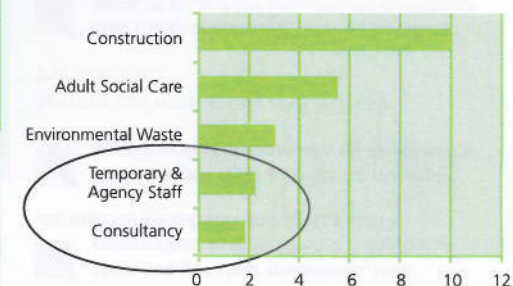
Because it is likely that greater efficiencies may be achievable in this area by learning from the best. Local authorities collectively spend £2.2bn per annum on the procurement of temporary agency staff and £1.8bn on external consultants. Saving just 1% on this could release £40m to help cut council tax or invest in other services.

Local government procurement experts believe savings could be made of £180m on temporary agency staff and £100m on consultancy by March 2011. This means a local authority could target

savings on average of up to 8% on temporary agency staff and up to 5-6% on consultancy services by March 2011. The savings achievable may be much greater depending upon the extent of savings already achieved in this area.

In these difficult economic times, reducing agency staff can provide opportunities to increase apprenticeships and other initiatives aimed at providing employment and experience to people not in education, employment or training.

Procurement Spend in Local Authorities £ billions per annum



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The Local Government Association is the national voice for more than 400 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.

I&DeA **LACORS** **LGE** **Local Partnerships**

What are the problems?

- 1** A council found that over 200 separate agencies were supplying it with over 1000 temporary employees costing millions of pounds. There was little or no regulation, or co-ordination across the different council departments to maintain service standards, or tackle the spiralling costs that were being met by taxpayers.
- 2** A council analysed the use of agency staff across its region. Its assessment was that Agency staff expenditure within its region was over £500 million per annum with low visibility or control. In some councils, agency workers accounted for up to 25% of the total workforce. This 'invisible' workforce had mushroomed as managers, hamstrung by the lengthy HR processes for recruiting permanent staff, opted for the speed and ease of recruiting temporary staff.
- 3** A council received proposals from a major consultancy firm to support it with its PFI (private finance initiative) programme. Unfortunately, the consultancy had neglected to remove the name of one of the many other councils to which it had submitted identical proposals. It was clear that many councils were working separately to buy the same thing and could save money by sharing information on procurement, supplier management, consultancy charging structures and contracts.

What is the Member's role?

Making change in this area requires strong member leadership. The member's role is to ask the fundamental questions:

- 'what are we spending on temporary agency staff and consultancy?'
- 'do we have a co-ordinated corporate approach to procuring and managing these contracts?'
- 'are we collaborating with others regionally and nationally to gain efficiencies and implement best practice?'

Depending on the answers to these questions, it may be appropriate for members to scrutinise further the procurement and contract management process, get at the facts, and follow up. Apart from the formal process of overview and scrutiny, the Leader and Cabinet may wish to make this an area for particular focus and visit other councils to benchmark performance. They will wish to take into account any potential impact on the community of amendments to large contracts such as these, e.g. in terms of employment and the role of Small and Medium Sized Enterprises (SMEs).

In summary, the member role is to demonstrate leadership, and be ready sometimes to make difficult decisions on professional services procurement.

What is best practice in this area?

Best practice involves actively managing the approach to professional services. This means having the right resources and policies within the council, and managing the relationship with suppliers and agency workers and asking:

How does the local authority go about procuring agency staff or consultants?

How does it set up, manage and exit the contract?

How is the contract managed throughout the period it is providing services?



What does 'good' look like?

Members should be asking:

- **Have we reduced the use of consultants?**
- **Have we reduced the costs of using temporary staff and interims?**
- **Have we avoided using poorly performing suppliers?**
- **Have we improved the negotiation skills of our purchasers?**
- **Are we managing the contracts for the best service outcomes?**

If the answer to these questions is 'NO':

- **get** your scrutiny committee to investigate, and
- **contact** your Regional Improvement and Efficiency Partnership (RIEP) to find out what help is available.

Checklist

Questions members can ask to assess the capacity of their authority to procure and manage professional services professionally and efficiently

Addressing the strategic context

- ✓ **Are we working** collaboratively with others within the region and with wider public sector partners in terms of procurement, supplier management, information exchange, and joint initiatives to improve value for money and management of agency staff?
- ✓ **Have we got clear guidelines**, well communicated, as to when it is appropriate to use external consultants and agency staff?
- ✓ **Have we got clear policies** for managing agency worker and consultancy assignments?

Setting up, managing and exiting the contract

- ✓ **Has the procurement** been well executed in terms of EU and UK procurement standards?
- ✓ **Does the contract** provide clear and measurable value for money throughout its duration? This includes considerations such as the agency commission structure, the application of statutory costs such as National Insurance, and the National Minimum Wage.
- ✓ **Is over 95%** of the spend 'on contract' i.e. scheduled and known, and compliant with the contract as negotiated?
- ✓ **Is there strong governance** including senior management/director sponsorship, robust contract and supplier management and accessible relevant management information?
- ✓ **Have we got a clear exit strategy** and contingency arrangements?

Providing the service

Have we got high quality agency workers and consultants, and excellent service standards from vendors and suppliers? Do managers feel they are getting a service that meets their needs and benefits the whole authority?



Resources Overview & Scrutiny Panel

Use of Consultants

Agenda Item 11

SCRUTINY REVIEW FINAL REPORT

March 2008



Salisbury District Council: Resources Overview and Scrutiny Panel

The Extent and Effectiveness of Consultant Usage at Salisbury District Council.

Introduction by Councillor Elizabeth Chettleburgh

Lead Member: The Use of Consultants Review Group



The Use of Consultants Review has been an insightful experience for the Review Group. The Council spends a significant amount on consultants in return for impartial, specialist project work. The risks of not employing consultants are that important work might not get completed because of lack of specialist knowledge, staff, in-house resources and limited officer time.

On the other hand the group have found that there are a number of ways to reduce the amount spent on consultants by looking at ways of maximising the use of in-house, local authority staff.

In 2005 the Council's Internal Audit team undertook an audit on the use of consultants finding that there were a number of improvements that need to be made in order ensure that the process of engaging consultants is robust. Furthermore the audit uncovered that the guidance for the use of consultants could be improved in order to get more value for money, along with other improvements to the system.

Finally this scrutiny review has been significantly delayed due to a number of reasons including the change of administration in May 2007, staffing issues within the Democratic Services Unit and crucially the proposed local government reorganisation (LGR) in Wiltshire. LGR has led to the review being delayed and also has limited the scope of the review. However it was felt that this review must continue in order to ensure that robust measures are put in place by the new authority prior to vesting day. This will ensure that the risks are minimised when engaging consultants and value for money is achieved as it has been identified that the new council will spend significant amounts of money on consultants.

Councillor Elizabeth Chettleburgh

Lead Member

The Use of Consultants Review Group

Report of the Use of Consultants Scrutiny Review Group: March 2008

A review of the Extent and Effectiveness of the use of consultants at Salisbury District Council

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Terms of Reference and Scope of the Use of Consultants Review

1. The Use of Consultants Scrutiny Review Group was commissioned by the Council's Resources Overview & Scrutiny Panel in May 2006 to undertake a review of the extent and effectiveness of consultant usage at Salisbury District Council (SDC), as part of the Panel's work programme for 2006/07. Now in 2008, Members of the Resources Overview and Scrutiny Panel have called for more explicit information regarding the amount spent by the Council over recent years and to outline any key lessons that are to be learnt by the new unitary authority.
2. The Panel was keen to undertake this review since it would give Members the opportunity to examine why the Council employed consultants and differentiate between the use of contractors and the use of consultants.
3. The terms of reference of the review group were to:
 - (i) Investigate the reasons for the use of consultants at SDC by examining a number of recent decisions taken by Services Units.
 - (ii) Evaluate the effectiveness of the work undertaken by consultants within the authority.
 - (iii) Investigate how much is spent on engaging consultants and to compare these costs to other similar local authorities.
 - (iv) Consider the alternatives to using consultants.
 - (v) Examine the procurement arrangements associated with consultants.

Membership of the Use of Consultants Group

4. Councillor Elizabeth Chettleburgh (Liberal Democrat, St Edmund & Milford Ward) was appointed by the Resources Overview and Scrutiny Group to lead the Use of Consultants Review and Councillors Tom Couper (Conservative, Knoyle Ward) and Murial Tomlinson (Liberal Democrat, Harnham West Ward) were appointed to serve on the Review Group during the year 2006 –07. Membership of the review group then changed following elections in May 2007. Councillors Elizabeth Chettleburgh and Murial Tomlinson remained in the group and new input was received from Councillors John Cole-Morgan (Conservative, Donhead Ward) and Bill Moss (Conservative, Winterslow Ward). Arabella Davies in the Council's Democratic Services Unit supported the Scrutiny work during 2006-07 and Tom Bray continued the review after the elections in May 2007.

Methodology

5. The review was undertaken in accordance with the council's new scrutiny arrangements and included the following research methods:

Desk Research

6. The scrutiny support officer Arabella Davies assembled a list of relevant publications, papers and documents before handing over the file for completion by the subsequent scrutiny support officer, Tom Bray.

Interviews

7. Interviews were conducted with the following officers from Salisbury District Council:
Graham Creasey, Property Services Manager
Clare Dunwell, Procurement Manager
Graham Gould, Head of Marketing, Economic Development and Tourism
Diana Melville, Chief Internal Auditor
Alan Osborne, Head of Financial Services
Andrew Reynolds, Head of Strategic Housing
Derek Streek, Head of Housing Management
Robin Townsend, Head of Community Initiatives

8. Interviews were also conducted with the following external interviewees: -
Robert Gardner, Humberts (responsible for land valuations)
Barry Williams, Gillespies (responsible for development of the Salisbury Vision)

9. Notes from the interviews undertaken have been included in the background papers to this review.

Other Local Authorities

10. The Review Group analysed the spend relating to the use of consultants with the following local authorities in the Wiltshire area as part of the review process:-
Kennet District Council
North Wiltshire District Council
West Wiltshire District Council

11. The Review Group also had regard to the scrutiny reviews undertaken by the following local authorities in relation to their own use of consultants: -
North Lincolnshire Council, Surrey County Council, Torbay Council and Worcestershire County Council.

Best Practice Research

12. The review group has considered best practice guidance produced by: -
- The Research Councils' Internal Audit Service (RCIAS)
 - National e-Procurement Project: Using Consultants – General Principles
 - Management Consultancies Association: How to source and manage consultants and contractors

Review Group Meetings

13. After each stage of the scrutiny review the members of the Review Group came together to discuss the issues raised and to identify areas where further work or research may be required.

Introduction

14. It is important to have a clear process when engaging consultants. From the initialisation of a project, the need for a consultant must be determined. Once need is established, accurate project briefs should be drawn up. Measuring the final outcome and the effectiveness of the consultant engaged is also crucial and an example of best practice. If every unit is working to the same guidelines, it is more likely that best practice can be achieved, however it was identified that some units within the Council are more in need of guidance than others due to varying levels of experience in using consultants, thus highlighting the need for accessible guidelines.
15. At the start of this review in May 2006, the review group focused on interviews with lead officers and external consultants, figures detailing expenditure on consultants and the Internal Audit report completed in February 2005. The group acknowledged the need to strengthen the process in engaging consultants so that all units use updated guidelines. Revisiting the work carried out by the previous review group supported by Arabella Davies, the goals theoretically have not changed. There is still a need for guidelines to be updated and adhered to but in the current climate of Local Government Reorganisation priorities have changed and resources are very limited. The Resources Overview and Scrutiny Panel agreed that, in the light of the Local Government Reorganisation, they were interested to know how much is spent on consultants by the Council, but considered that there was very little they could do to influence the engagement procedure given the situation. With the imminent change on the political horizon, the purpose of this review has now changed. This review will show the past and current spend on consultants but also go onto describe how important it is for Wiltshire Council to provide clear and accessible guidelines on engaging consultants in order to get the best out of a very costly exercise.

Definition of Consulting and Consultants

16. The Management Consultancies Association (MCA) defines consulting as "the creation of value for organisations, through the application of knowledge, techniques, and assets to improve performance. This is achieved through the rendering of objective advice and/or the implementation of business solutions."
17. Consultants are external third parties, with expertise that is typically not available internally. Clients employ consultants for short-term projects, and usually specify an end-point to their involvement in the project. Although a project manager from the consulting firm generally manages the consultant, responsibility for the final outcome of the project

rests with the client. This means that consulting is distinct from "outsourcing" or "staff-substitution" (National Audit Office: Central government's use of consultants).

18. Consultants are also distinct from contractors, in that the latter fill permanent vacancies or temporary increases in operational workload. Contractors are therefore used as day-to-day operational resources to maintain departmental function, and are managed by client staff (MCA).

Process for Engaging Consultants

19. As set out in the Council's protocols on the use of consultants (1998), there are 11 steps to be undertaken when engaging consultants. These steps are set out as follows:

- Step 1 – Preparation of the Project Brief
- Step 2 – Assess alternative means of achieving required objectives
- Step 3 – Obtain adequate budget provision
- Step 4 – Submission to Management Team (or Committee)
- Step 5 – Competitive Tendering
- Step 6 – Standing Orders
- Step 7 – Selecting the list of consultants who will be invited to tender
- Step 8 – Selecting the winning bid
- Step 9 – Agreements
- Step 10 – Monitoring Process
- Step 11 – Reviewing Performance

20. The Protocols on the Use of Consultants (1998) is a useful document that outlines the process and offers advice to service managers when engaging consultants. This review has brought to light some important issues surrounding the use of these protocols and their accessibility that are discussed under section 15.

21. The process of engaging consultants should encompass post project evaluation. Evaluating outcomes will improve the process of engaging consultants at the Council. Post project evaluation provides:

- Information on experiences that can be documented and drawn upon in future projects.
- Analysis of the budget, value for money and non-quantifiable benefits
- Feedback on overall performance of the Consultant

Reasons for engaging consultants

22. According to the MCA, the single most important reason for hiring consultants is to bring in people with a particular set of skills. Skills could be industry- or issue-specific, but at times an organisation may also need individuals who can help get a new initiative up and running when there are difficulties freeing up internal resources. The Council has recently engaged consultants who possess specialist skills for some major programmes, like the Salisbury Vision and Housing Stock Transfer project. Recent management changes in the Council and the pressures of Local Government Reorganisation are reasons why consultants have been engaged instead of recruiting permanent members of staff; for example, changes to the Chief Executive and Director circumstances meant that the use of consultants for a temporary period was more cost effective than recruiting to a permanent post.
23. As third parties, consultants are also able to approach challenges facing an organisation from a fresh perspective. As the MCA notes, sometimes an outside opinion expressed by an expert can be enough to jump-start a project, and unlike internal participants on a project who still have day-jobs, consultants are able to dedicate all their time and efforts to the project, which means that they are helpful in keeping a project going. Managers may also wish to hire consultants to collect data to help them decide what to do, or to offer a creative solution to a problem (MCA). Furthermore, the Department for Communities and Local Government (DCLG) notes that consultants are independent of internal politics that can often hinder progress, and are able to recommend actions that client staff may be unwilling to undertake as a result of their vested interests.
24. On some projects, managers may seek a tried-and-tested approach to the issue in hand. In those instances, consultants will be able to develop a plan with a structured methodology that captures the accumulated lessons of previous projects. This may also be important in increasing confidence that the project will meet the expectations of its sponsors and partners (MCA).
25. The RCIAS notes that the employment of consultants can be an effective solution to the pressures of restricted salary budgets and increasing demands on management time. The use of consultants is not, however, a cheap option, which means that consultants should only be used where they can add the greatest value.

Alternatives to employing Consultants

The (DCLG) lists a number of alternatives to employing consultants:

26. Working Groups
The main advantages to setting up a working group are that its members would already be familiar with the organisation and its culture, and may also have a better understanding of the project's context than a consultant. Objectivity can, however, be lost, and individuals may not have sufficient time to devote to the project given their existing workload.
27. Secondment
Seconding an employee to work on a fixed term project is likely to be significantly cheaper than employing a consultant, but it is essential to ensure that the seconded has the experience, professionalism, aptitude and references to demonstrate that he or she can deliver.
28. Sharing Resources
Increasingly, government organisations and local authorities undertake procurement collaboratively, as their combined buying power allows them to negotiate better deals from common suppliers.
29. Training
Training is a longer-term strategy for meeting the needs of the organisation, and if training needs can be identified in advance, this can alleviate the need to employ consultants at a later stage.
30. Experience Sharing
It may be possible to look to another organisation that has undertaken a similar project, and find out whether they would be willing to share experience. This can offer the advantage of seeing a solution already in operation. It is important to note, however, that every organisation is different, and one organisation's solution to its needs may not fit those of another.

Expenditure on Consultants

31. Expenditure

Figure 1 : Expenditure on consultants by Salisbury District Council for 2005/06 and 2006/07

Use of Consultants 2005/2006				
	Specific Consultancy	General and non -	Consultancy	Total
Consultancy (510)	£ 232,536.36	£ 99,603.67	£ 332,140.03	
Consultancy (510) (HRA)	£ 130,166.43	£ -	£ 130,166.43	
Capital	£ 965,838.59	£ 559,627.71	£1,525,466.30	
Total	£ 1,328,541.38	£ 659,231.38	£1,987,772.76	
Use of Consultants 2006/2007				
	Specific Consultancy	General and non -	Consultancy	Total
Consultancy (510)	£ 440,963.70	£ 125,391.16	£ 566,354.86	
Consultancy (510) (HRA)	£ 257,934.79	£ -	£ 257,934.79	
Capital	£ 814,596.37	£ 129,707.17	£ 944,303.54	
Total	£ 1,513,494.86	£ 255,098.33	£1,768,593.19	

NB. Specific Consultancy has been classified as those suppliers that have: provided specific information and/or have produced a report and General Consultancy has therefore been classified as those suppliers that have carried contracted/non- contracted work and do not come under the above description

32. The expenditure on specific consultancy (who provided specific information or produced a report) in 2005/06 was **£1,328,541.38**. The expenditure in the following year, 2006/07 was **£1,513,494.86**. This shows an increase of **£184,593.48** mainly due to projects such as the Salisbury Vision and the Stock Transfer project. The approximate expenditure on consultants for 2007/08 is likely to be in the region of **£1,250,000**.
33. Some of the above costs are funded by grants. For example, the Council will receive about £175,000 from the Regional Development Agency (RDA) to appoint consultants for the Salisbury Vision and similar arrangements are seen on other programmes.
34. Expenditure on consultants means that the Council can benefit from specific specialist skills, impartiality and an effective way of solving short-term staffing issues, as well as the reasons stated in the above section on reasons for engaging consultants. Expenditure on consultants also depends on fluctuations in levels of demand for Council services.
35. Cross-district comparisons of Local Authorities in Wiltshire for the year 2005/06 (see figure 2) showed that Salisbury spent more on specific consultancy than all other districts in Wiltshire. These figures must take into consideration that all comparators had a smaller

revenue budget and capital programme and Salisbury is the only council in the group to retain its council housing.

Figure 2: Cross-District Comparisons (Wiltshire) for expenditure on consultants for 2005/06

	Total	Specific Consultancy	General & Non Consultancy
North Wilts			
Revenue	126,394 n/k		n/k
Housing	0		0
Capital	128,684 n/k		n/k
TOTAL	255,078 n/k		n/k
Kennet			
Revenue	138,040	62,690	75,350
Housing	0	0	0
Capital	2,115,410	605,270	1,510,140
TOTAL	2,253,450	667,960	1,585,490
West Wilts			
Revenue	945,191	306,588	637,789
Housing	0	0	0
Capital	152,674	152,674	0
TOTAL	1,097,866	459,262	637,789
SALISBURY			
Revenue	332,140	232,536	99,604
Housing	130,166	130,166	0
Capital	1,525,466	965,839	559,628
TOTAL	1,987,773	1,328,541	659,231

Summary of other authorities' scrutiny reviews on the use of consultants

34. The following is a summary of the key findings of the scrutiny reviews carried out by North Lincolnshire, Worcestershire County Council, Surrey County Council and Torbay Council.

General Observations

35. North Lincolnshire Council (NLC) found that the use of consultants is often a controversial and sensitive subject. Worcestershire County Council (WCC) considered that there was a perception amongst the public and elected Members that large sums of money are spent on engaging consultants too frequently and sometimes unnecessarily.

36. NLC found that it is impossible to employ staff covering every specialist area. Therefore bringing in outside expertise for a short period, often to maximise grant aid from Government and European Union sources makes good sense. This was particularly the case of smaller councils because they cannot provide a whole range of technical expertise at any one time e.g. engineering, architectural specialists.

Use of Consultants

37. Worcestershire CC's review highlighted a number of areas where practice differs across the directorates. Worcestershire CC and NLC both recommended that a corporate approach to the use of consultants should be adopted.

38. At NLC, contracts are not always awarded to consultants used previously, although there are benefits from using the same people, particularly where knowledge of the council's operations is important.

39. NLC concluded that successful consultancy projects require a clearly defined project brief, including the scope, aims and objectives, quality required, performance expected, timescale, monitoring and budget.

40. NLC concluded that consultants should only be used where:

- Specialist expertise is not available from in-house sources
- There is a lack of in-house capacity to undertake the project
- An independent opinion is required
- Only temporary help is required and can be met from existing budgets.

41. NLC also noted that where opportunities exist to use specialist skills in-house, this could reduce the amount of work offered externally and also enhance job satisfaction and offer potential promotion opportunities.
42. Surrey County Council (SCC) noted the ongoing employment of consultants, usually self-employed individuals. In the majority of cases there were no tender exercises to secure their ongoing retention nor were there clear briefs for the work to show why a particular consultant was always the best choice for ongoing pieces of work.
43. SCC found that given the increased use of consultancies and the move towards ever larger and more complicated corporate projects, the need for appropriately skilled managers becomes ever vital. Seniority within a role does not necessarily give that post holder the tools to successfully performance manage large consultancy firms within a tight budget and time frame.
44. Worcestershire CC noted that Cheshire County Council's Performance Improvement Services has recently been set up an informal consultants' network to assist services in identifying suitable consultants, together with a database. This enables information to be shared informally across the authority.
45. Worcestershire CC noted that another source of expertise could be other local authorities. The review indicated that not much consideration was given to using best practice or expertise from other local authorities before a consultant was engaged.
46. Expenditure
In 2002-2003 SCC's expenditure on consultancy was £27,360,106.22 (n.b this is a county council: £17m spent in Children and Young People directorate).
47. During the period 1 April 1998 – 31 March 2000, NLC engaged 82 consultants, costing £500,000. Over half the contracts had a value of less than £5,000.
48. WCC spent £1,062,000 in 2003/04, which amounted to less than 0.25% of the Council's overall budget.
- Value for Money
49. Surrey County Council's (SCC) review found that officers sometimes struggled to identify whether value for money had been attained for certain projects. In the majority of cases, senior officers of the council were pleased with the service they received from external consultants.

Internal Audit Review of the Use of Consultants

50. An Internal Audit Review on the use of consultants was carried out in accordance with the Internal Audit Plan for the financial year 2004/05. An audit was also carried out in 2000 and the principal recommendations were for Service Units to implement the Protocol when engaging consultants.
51. The 2004/05 report looked to assess the extent to which value for money was gained from engaging consultants. The audit focused on the following areas:
- Awareness and understanding of existing regulations including Protocols on the use of Consultants.
 - Selection of Consultants and justification for their use.
 - Confirming contracts are in place and clearly defined
 - Work is monitored and payments checked.
 - Post project evaluation arrangements
 - Examining alternative approaches and best practice.
52. It was stated that in two of the three cases investigated clients were satisfied with the outcome received. Consultants were well briefed on the Council's culture, environment and objectives resulting in good working relations.
53. The Internal Audit opinion for the use of consultants was a limited rating. Therefore highlighting the fact that there were weaknesses in the process. The opinion was based on the fact that the processes in engaging consultants needed to be more robust. In addition, the recommendations put forward by the Internal Auditor would help rectify the situation thus improving the process and effectiveness when engaging consultants.
54. Key findings of the auditor that are of concern were as follows:
- Continuing failure to make full use of, or comply with, the current guidance
 - Better compliance and project management when appointing consultants will lead to improved services and better value for money.
 - Awareness of the Protocols was poor
 - Insufficient evidence of market testing and cost comparison
 - Detailed specifications that reflect the Council's needs were not always prepared.
 - Evaluation of consultancy bids not based on pre-set written criteria.
 - Lack of clear S CAT procedure.
 - Deadlines for deliverables not set and kept.
 - No mechanism for capturing benefits and efficiencies for corporate benefit

55. It has emerged that the follow-up actions to the Internal Audit Report carried out in 2005 has been limited. Although a new protocol was issued by the Procurement Manager, it is considered that they seem to cover contractual formats and other aspects of the relationship with consultants rather than the guidance, dos and don'ts, checklist, and definitions that made the 1998 Protocol such a useful guide for managers, not least to help ensure consultants were employed sensibly and the Council got value for money. There is a continued need to update the protocols, publicise them and ensure that all Units are fully aware of all processes when engaging consultants.

2006-2008: Transition to Wiltshire Council?

56. We have established that the amount spent on consultants has risen in recent years. Considering the Internal Audit report in 2005, the interviews carried out in 2006 and the expenditure we can say that using consultants remains to be an issue that needs to be monitored in order to achieve good practice and efficiency.

57. Protocols on the Use of Consultants (1998), as mentioned above, could be revisited and subsequently reissued, as it would bring a unified approach to employing consultants across the Council. Although, the 1998 document, is poorly presented, with formatting problems and effectively out of use, it would not be difficult to update and publish it. However, this level of attention might not be deemed necessary in light of Local Government Reorganisation. The transition process will no doubt bring with it contractual agreements and directives controlling the initiation of new large-scale projects, also it is understood that the number of consultants likely to be engaged will be very low in the run up to vesting day. Therefore in that respect, updating the protocols would not bring much added value other than good housekeeping.

58. On the other hand, it could be considered that when the transition task groups are looking at setting up guidelines for using consultants they will want to pull together district and county policies therefore highlighting the need for the protocols to be clearly presented and accessible. This might not be too much to ask given that the Council's contract regulations point out that 'the appointment of consultants should comply with the Council's guidance on the "Protocol on the use of consultants" ' (Point 5.1 of Council's Contract Regulations). As it stands, written guidance is not easily accessible and it is unclear as to which document is the actual "Protocol on the Use of Consultants".

59. In light of Local Government Reorganisation it will be difficult for this review to achieve tangible outcomes. However it can act as a clear message to the transition task groups and the transitional Cabinet that ensuring clear and accessible guidelines and processes are set

up from the outset of the new unitary council. This is especially pertinent given that the new council is likely to spend significant sums of money on consultants.

60. To ensure that the new council effectively uses consultants, the transitional working group involved in this might consider:
- The formation of new guidance/protocols for lead officers
 - That they ensure every consultancy task is defined within a formal contract and Procurement is notified without fail.
 - Specific indicators could be developed to monitor performance
 - Ensure that Post-Project Evaluation (PPE) is carried out without fail
 - The project should receive formal signing-off thus drawing to a close the PPE
 - Long-term use of a consultant should be critically reviewed, thus continuously evaluating value for money and efficiency of the consultant
 - Training of officers to effectively manage performance of consultants
 - Creation of a database to keep information on consultants used by the authority
 - The Procurement Team develops and maintains communications with other authorities to exchange information about consultants.

Recommendations

61. As referred to above, the current climate of Local Government Reorganisation has led to this review being an informative description of Council practices over recent years and a useful reference for future policy makers under the transition arrangements to Wiltshire Council. In October 2007, the Resources Overview and Scrutiny Panel resolved to finish the review, despite the identified effects of LGR, with the main objective of highlighting the amount spent by the Council in recent years and concluding the investigative work into recent practices. Having outlined the expenditure and identified key issues for consideration when drawing up a corporate Wiltshire-wide policy on the Use of Consultants, the review group recommends the following:

Recommendation 1: That the Resources Overview and Scrutiny Panel recommends to the Towards One Council Resource Work stream (or Implementation Executive) that a robust system for the engagement of consultants should be put in place for the new council to mitigate the possible risks and to ensure that value for money and efficiency are achieved when engaging consultants.

The following issues have been highlighted as areas that could also be addressed:

Recommendation 2: A database detailing the key features and rating of consultants used by the Council so that any service unit can tap into and benefit from shared experiences.

Recommendation 3: That database sharing with other Local Authorities detailing consultants used should be explored so that a greater level of knowledge on effective consultants can be shared.

Recommendation 4: That the Council's Contract Regulations and Protocols on the Use of Consultants should be made more accessible for all officers across the Council who engage consultants.

Recommendation 5: That the Council continues with its current good practice in many areas of its engagement of consultants with particular regard to officers continuing their strong relationships and frequent communication with engaged consultants.

Recommendation 6: That People and Organisational Development (POD) and Procurement are to devise guidance outlining important questions for officers when interviewing short listed consultants.

Recommendation 7: That sufficient provision is made regarding how to address recommendations coming from consultants that are potentially hard to implement.

Recommendation 8: That Fixed Price contract should continue as best method for paying consultants.

Recommendation 9: Cost coding for the use of consultants might need to be revised along with the updated guidance issued as Local Authorities can find it difficult to record and code appropriately the payments for consultants and contractors because of blurred definition and sometimes complex differences between specialist services.

Recommendation 10: In addressing the operational issues already outlined, it is also prudent for all costs involved with employing consultants to be continuously monitored.

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Salisbury District Council Documents:

- Internal Audit Report - Use of Consultants (2005)
- Salisbury District Council's Final Instruction – Protocols On The Use of Consultants (1998)
- Salisbury District Council Protocols On The Use Of Consultants – Best Practice Guide (2006)

Local Authority Reviews on Use of Consultants

- The Extent and Effectiveness of Consultant Usage, North Lincolnshire Council (2000)
- Use of Consultants, Surrey County Council (2004)
- The Use of Consultants, Worcestershire County Council (2005)
- Review of Consultants and Agency Labour, Torbay Council (2006)

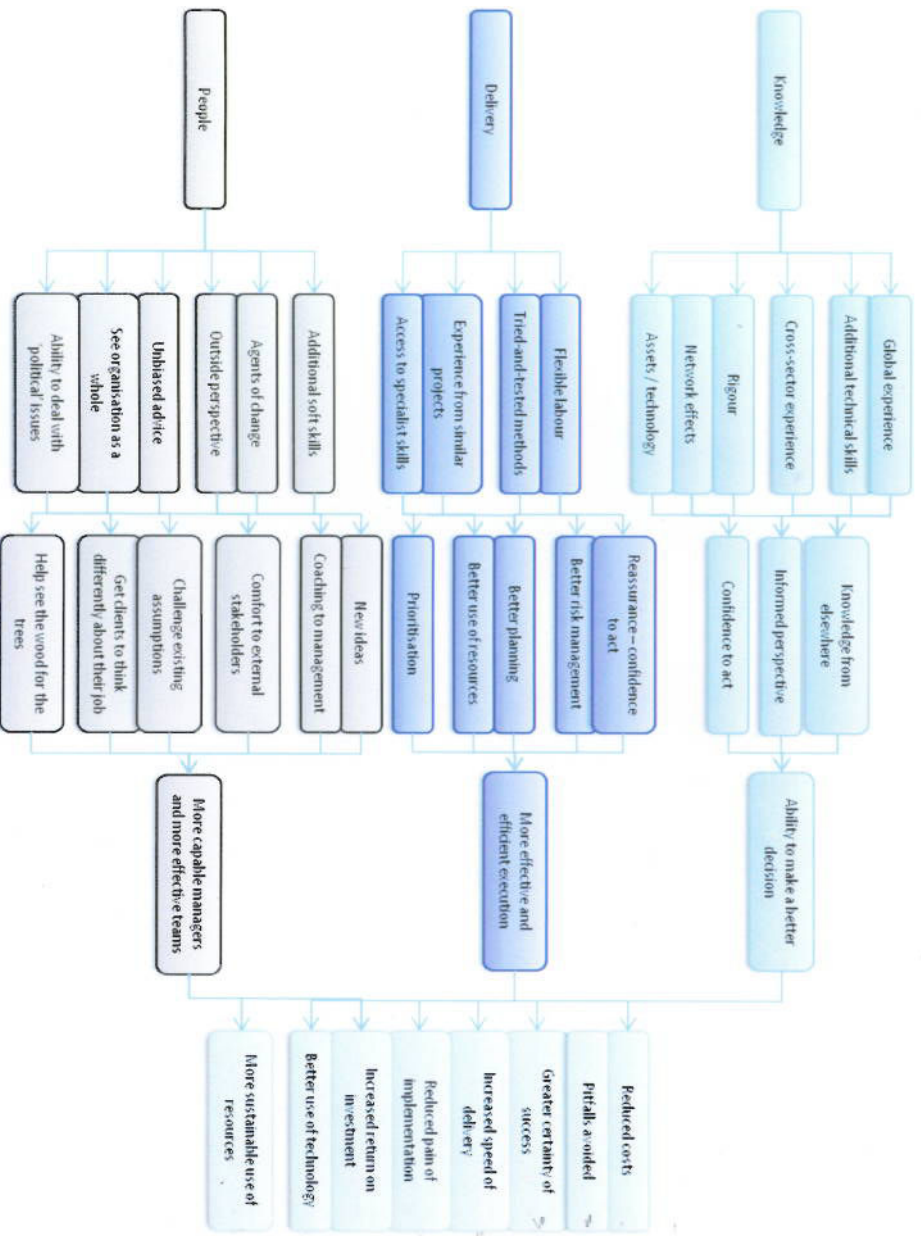
Further Research

- How to Source and Manage Consultants and Contractors, Management Consultancies Association
- Central Government's Use of Consultants, National Audit Office
- National e-Procurement Project: Using Consultants – General Principles

The Value of Consulting

Conceptual Model

In order to answer Question 3 in *The Value of Consulting* report, the MCA developed a conceptual model to explain the value consultants add to client organisations. This model categorises consultants' contribution under three headings: the knowledge they bring, their ability to help deliver projects and the skills of individual consultants. This model helps to show how the use of consultants can result in cost savings, increased return on investment and other benefits for client organisations.



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Suggested terms of reference for the Task and Finish Group review:

- 1) The context in which consultants are engaged, and are there clear guidelines, well communicated, as to when it is appropriate to use consultants?
- 2) What are the governance arrangements around the use of consultants?
- 3) Are we working collaboratively with others within the region and with wider public sector partners in terms of procurement, supplier management, information exchange, and joint initiatives to improve value for money and management if agency staff?
- 4) How the tendering, contracting and selection process has worked in respect of Professional Services contracts, and is it complaint with EU and UK procurement rules?
- 5) How it is anticipated that the tendering, contracting and selection process for Professional Services will work when the current contract with Amtec comes to an end?
- 6) How do we assess and measure the performance of consultants, and what measures are used to ensure satisfactory outcomes and value for money?
- 7) Monitoring arrangements for the use of consultants
- 8) Is over 95% of the spend "on contract" , ie scheduled and known, and compliant with the contract as negotiated.
- 9) Are there clearly defined financial procedures that set out how monies will be resourced and recorded, and is all expenditure appropriately coded to ensure that it can be readily identified and monitored?
- 10) Is the learning from consultants shared across services and passed on to officers?
 - 11) What exit strategies are in place to reduce the reliance on consultants, where appropriate?
 - 12) Is there good practice elsewhere on the use and monitoring of consultants in the public sector?
 - 13) Is it possible to establish a policy for effective scrutiny of use of consultants?

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SUSTAINABLE GROWTH SCRUTINY COMMITTEE	Agenda Item No. 6
15 MARCH 2010	Public Report

Report of the Head of Customer Services

Contact Officer(s) – **Mark Sandhu, Head of Customer Services and Belinda Evans, Customer Services Manager**

Contact Details - **(01733) 296321 and 296324**

COMPLAINTS MONITORING REPORT 2008 - 09

1. PURPOSE

- 1.1 The purpose of this report is to provide a summary of the formal complaints which have been monitored between 1 April 2008 and 31 March 2009 and which fall under the Corporate Complaints' Policy.
- 1.2 To enable the Committee to scrutinise the annual report from the Local Government Ombudsman (LGO) about the council's performance on complaints.

2. RECOMMENDATIONS

- 2.1 That the Committee scrutinises the information presented in this report regarding complaints received between 1 April 2008 and 31 March 2009.
- 2.2 That the Committee supports the recommendation that senior managers actively encourage officers who undertake complaint investigations to attend specialist complaints training to improve the quality of Stage 1 and Stage 2 responses.

3. BACKGROUND

- 3.1 This report analyses the performance of the Council's formal Corporate Complaints Procedure between 1 April 2008 and 31 March 2009. It is important to note that this report does not include complaints that fall outside of the Corporate Complaints Policy, for example, complaints relating to schools, Statutory Children Social Care and Adult Social Care.
- 3.2 Following the successful transfer of the Central Complaints Office (CCO) from the Strategic Improvement Division to Customer Services in February 2008, we are pleased to report that the service has since been fully resourced. In previous years the service suffered from insufficient back up resources. The resource for this service remains 1.5 FTE but this is split over more productive working hours with the fall back of other trained Customer Service staff who can cover should the need arise.
- 3.3 The database used within the service is under review. Both Central Complaints and Children's Services use the same database but different versions, which leads to some duplication. Customer Services are currently reviewing its options to introduce a CRM system. Any CRM implemented will include facility to monitor complaints more effectively.
- 3.4 The Corporate Complaints Policy has three-stages:
 - Stage One (First Contact Complaint)
 - Stage Two (Service Review)
 - Stage Three (Independent Person Review)

Note: * Stage 1 complaints can be responded to in various ways depending on how the customer contacts the council and the complexity of the complaint. For example, it is hoped that the majority of complaints will be resolved without delay on the telephone or in person, but those that are sent in by letter should be responded to within the corporate standard of 10 working days.

Stage	Action	Timescale
1	The council aims to settle the majority of complaints quickly and satisfactorily through the 'front line' employees who provide the service or the relevant manager. The complaint may be resolved informally by way of an apology, by providing the service required, or providing an explanation to the customer.	10 Working Days *
2	If the customer is not happy with the decision at Stage 1, he/she can appeal to the Central Complaints Office, who ask the relevant Head of Service or Assistant Director to investigate the complaint fully and provide a written response to the customer.	15 Working Days
3	If the customer is not happy with the decision at Stage 2, he/she can appeal to the Deputy Chief Executive who will appoint an independent person to investigate the complaint fully and provide a written report to the customer.	25 Working Days

4. STAGE ONE COMPLAINTS (FIRST CONTACT COMPLAINTS)

4.1 During 2008/09 the Central Complaints Office successfully received monthly returns from the complaint monitoring officers across the Council. For the first time the total number of Stage 1 complaints can be reported for the whole Authority on a monthly basis. The total for the year is shown below. Now that a robust process is in place, the Council has a clearer picture of the number of complaints that are being made about the services it provides. Unlike previous years clear comparisons can now be made year to year.

4.2 The table below shows the number of Stage 1 complaints received for each department during 2008/09 including those that were received and logged by the CCO. The data for the previous year is included to allow comparisons to be made. Table 2 illustrates a decrease in the number of Stage 1 complaints received in all departments and by Central Complaints.

Department	2007/2008		2008/2009	
	Total complaints received	Logged by CCO	Total complaints received	Logged by CCO
Strategic Resources	158	45	108	31
Environment and Community Services	225	128	173	83
Peterborough City Services	238	95	105	52
Chief Executive's	46	30	43	32
Children's Services	85	10	12	2
TOTAL	752	308	441	204

4.3 The decrease in Stage 1 complaints can be attributed to various factors:-

- Enhanced data collection from directorates by Central Complaints has distinguished between internal issues and corporate complaints. There is evidence that some departments were previously over-reporting, especially Strategic Resources and Children's Services. Previously only the number of Stage 1 complaints received locally

was reported to Central Complaints on a monthly basis. Now full details of these complaints are requested including customer details, complaint category, outcome and whether the complaint is corporate. This has uncovered that in previous years Human Resources reported internal disciplinary 'complaints' to Central Complaints, whilst Children's services were including schools complaints which do not fall under either the corporate or Children's social care complaints policy monitored by the Authority.

- The relocation of the Corporate Complaints office into Customer Services in February 2008 has had a major impact on the reduction of complaint volumes. The experience of the staff in Central Complaints now ensures that they can distinguish if a customer has a service request or complaint.

Before the change in department the previous team did not have the knowledge, tools or contacts to resolve simple requests for the customer. Therefore issues such as a missed bin or an overhanging tree, street lighting fault or parking enforcement issue could be recorded as a complaint. Now the current staff can remedy many of these minor service issues as they have access to the APP Flare system where a high percentage of these enquiry types can be immediately logged to ensure the relevant staff can immediately be alerted to the problem and action the request. This allows the staff member to confirm the solution to the customer immediately increasing customer satisfaction and ensuring that minor issues do not escalate into complaints. For service issues where system access is not available they contact the relevant service area promptly and keep the customer informed with progress.

For the first time the team have kept a log of all service requests they deal with and this began in August 2008. For the 8 months from then until the year end they had recorded 334 service requests passed to directorates.

- The most dramatic decline in complaint numbers has been in City Services. As well as the work of the Central Complaints team detailed above the work of the Peterborough Direct call centre also deserves some mention. General calls to Environment and Public Protection services were transferred to Peterborough Direct in April 2007. The staff there have had regular liaison with City Services to ensure procedures are streamlined and customer contacts especially in regard to refuse collection are resolved quickly. Customers can get their call answered and the officers who answer these calls, like the Central Complaints team, can give the customer a 'real-time' update through their access to Flare.

4.4 During 2008-09, there were 441 stage one complaints logged across the Council within this period and 60 complaints were logged at stage 2.

5. STAGE TWO COMPLAINTS (SERVICE REVIEW)

5.1 The number of stage two complaints is given below.

	No. of Complaints
April 2004 – March 2005	101
April 2005 – March 2006	117
April 2006 – March 2007	102
April 2007 – March 2008	71
April 2008 – March 2009	60

5.2 The number of stage two complaints by department

Table 4: Stage two complaints by department	
	No. of Complaints
Strategic Resources	11
Operations	30
Peterborough City Services	12
Assistant Chief Executive's	6
Children's Services	1

5.3 The Operations Directorate (formally known as Environmental & Community Services) continues to have the highest number of stage 2 complaints (30), but has seen a decline from the previous year which equals the decline in Stage 1 complaints for this area as a percentage.

5.4 The number of stage two complaints by business unit

Table 5: Stage two complaints by business unit	2006-07*	2007-08	2008-09
Strategic Resources Department	21	11*	11
Operational HR	3	1	0
Strategic procurement	n/a	1	0
ICT	0	0	0
Finance	0	0	0
Customer Service	16	7	0
Strategic Property	2	2*	5
Business Transformation	0	0	0
Internal Audit	0	0	0
Revenues & Benefits	n/a	n/a	6
Operations Department	52	43*	30
Transport and Engineering	12	16*	8
EPPS	13	7	8
Planning Services	20	12	10
Cultural Services	7	8	4
Peterborough City Services Department	11	7	12
Support Services	0	0	0
Street Scene and Facilities	10	7	9
Building and Technical Services	1	0	0
Property Services	0	0	0
Recreation (Moved from Operations 08-09)	n/a	n/a	3
Chief Executive's Department	7	10*	6
Communications	1	0	0
Strategic Growth and Development	6	7	6
Legal and Democratic	n/a	3*	0
Children's Services Department	6	2*	1
Specialist Services	4	0	0
Universal Services	0	1	0
Learning and Standards	2	0	1
Business Support	0	1*	0

Note: * - there were a number of complaints that included more than one department- these are shown *.

Corporate response times

- 5.5 98.3% of stage two complaints were acknowledged within 2 working days (See Table 6), this is an increase compared to last years figure of 95.7%. There was a delay of a day when acknowledging one complaint; this was due to the complexity of the case and trying to establish which department needed to investigate. This has highlighted that the complaint must at least be acknowledged and further information can then be provided when available.

Table 6: Stage two response times	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn
The percentage of Stage 2 complaints acknowledged within 2 working days	94.0%	92.3%	99.0%	95.7%	98.3%

- 5.6 During 2008-09, 71.1% of all stage two complaints were responded to within 15 working days (See Table 7). This is lower than the 2007-08 performance (85.1%). Central Complaints ensures that holding letters are sent to complainants in delayed cases. The reasons for delays can range from the complexity of the complaint to possible legal implications.

Table 7: The percentage of Stage 2 complaints responded to within 15 working days					
	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn
Assistant Chief Executive's	50.0%	100.0%	85.7%	75%	83.3%
Peterborough City Services	77.8%	82.8%	100.0%	100%	72.7%
Strategic Resources	69.2%	65.0%	85.7%	80.0%	81.8%
Children's Services	100.0%	50.0%	83.3%	100%	0%
Environment and Community Services	89.7%	71.7%	88.5%	87.2%	69.7%
Overall	77.6%	72.6%	88.2%	85.1%	71.1%

- 5.7 When the 2007/08 complaints report went before Scrutiny Committee last June it was queried that a high proportion of Stage 2 complaints were escalating to Stage 3. Although this year the number of Stage 2 complaints has gone down the percentage being escalated to Stage 3 has increased. There are a number of factors contributing to this increase.

- Objectivity – Many customers may not be satisfied with an escalation of the complaint within the same department.
- Quality – Minor issues such as poor punctuation or a lack of summary can leave the customer inclined to believe that the Council are not taking their concerns seriously.
- Timescales – Stage 2 investigations are often undertaken by senior managers who may find it difficult to dedicate the time required at short notice to investigate complaints thoroughly; often there is no proof-reading of the response to ensure important factors such as using the correct referral rights and including an apology are not missed.
- Training – With movement of staff some officers are completing complaint responses that have had little or no training in complaint investigations.

- 5.8 To reduce the number of complaints escalated to Stage 3 we need to ensure that the standard of Stage 2 responses is improved across all directorates. Earlier this year a meeting was held with Complaint Monitoring Officers in Operations. The feedback from this meeting was that the Central Complaints Office as an independent area should give feedback on Stage 2 responses which were found to be of poor quality. Quality checking of all Stage 2 complaints began and

this has already resulted in some senior officers being recommended to attend the next available LGO complaint training workshop. Central Complaints will continue to feedback on complaint responses where applicable to improve quality.

- 5.9 The next step in improving the quality of our Stage 2 investigations is for senior managers across the directorates to ensure that the officers who investigate and respond to complaints within their areas have the necessary skills to undertake this important area of work.
- 5.10 New corporate governance training is due to be rolled out shortly to all existing senior managers which will include the importance of effective complaint handling. Optional additional training is provided by the Local Government Ombudsman Service in the form of one day's training at a cost of approx £100 per person. It would be appreciated if directors could review which of their senior managers have not attended this training and managers who would benefit from this training are nominated to attend.
- 5.11 In March 2009 the LGO issued Guidance on Running a Complaints system – Guidance on Good Practise - to all Council's. It details six key principles, Accessibility, Communication, Timeliness, Fairness, Credibility and Accountability. Under timeliness they recommend that complaints should take no longer than 12 weeks from receipt to resolution. This is achieved within the timescales of the existing PCC complaints policy.
- 5.12 This guidance is not prescriptive on the number of complaint stages a council should offer customers before referral to the LGO. Although it would be our long term aim to reduce the number of stages from three to two we must first see the need for a third stage reduced by declining numbers wishing to go to Stage 3 or on to the LGO before this could be seriously considered. The raising in the standards of our Stage 2 investigations will gain us the trust of the customer and increasing respect from the LGO.
- 5.13 If stage 2 was the final stage a sign off/vetting by the legal department would need to be built into the process to protect the Council from prosecution or risk to reputation.

6. STAGE THREE COMPLAINTS (INDEPENDENT PERSON REVIEW)

- 6.1 During 2008-09, the Council received 25 stage three complaints, compared to 15 during 2007-08. 100% of these were acknowledged within 2 working days, and 88.9 % of the Stage Three investigations were sent a response within the permitted timescales (this is 30 working days following receipt of the complainants agreement to the scope of the investigation) (See Table 8).

Table 8: Stage three complaints	2004-05 Outturn	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn
The percentage of Stage 3 complaints acknowledged within 2 working days	100.0%	100.0%	100.0%	93.3%	100%
The percentage of Stage 3 complaints responded to within permitted timescales	55.6%	33.0%	53.3%	100.0%	88.9%

- 6.2 Of the 25 stage three complaints, 3 were upheld, 2 were partially upheld and 17 were not upheld. In addition, 3 complaints were closed prior to the start of the investigation; this was due to the complainants, either declining to provide information or wishing to withdraw their complaint.
- 6.3 Complaints at Stage 3 are investigated by the Compliance and Ethical Standards Team who produce reports of a very high standard. There is some evidence that even though they are frequently in agreement with the decision made at Stage 2, the customer is more satisfied with the thoroughness of their investigations. They are respected as a neutral party, and can give priority to complaint cases.

6.4 Due to the increase in the number of Stage 3 complaints and some temporary resource issues amongst this team toward the end of the year, a few of the investigations had to be referred to appointed investigators throughout the council. This in turn resulted in longer response times. This issue is now resolved and the team is now fully resourced.

7. THE LOCAL GOVERNMENT OMBUDSMAN (LGO)

7.1 In July each year the LGO provides an annual review to the Council. The aim of the review is to provide a summary of the complaints received in respect of Peterborough City Council and includes comments on performance and complaint-handling to assist us with service improvements that contribute to improved customer service.

7.2 For the year 2008/09 the LGO received 43 complaints and enquiries regarding the work of Peterborough City Council. The highest number for a single business unit was the 13 cases for planning and building control.

7.3 Some enquiries will result in general advice being given to the customer or with the LGO asking the customer to use the Council's own complaints policy before they will become involved.

7.4 The LGO proceeded to investigate 24 of these complaints about the Council.

Table 9: Ombudsman complaints	2005-06 Outturn	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn
Number of decisions received	44	25	25	24

7.5 During 2008-09 there was one decision classed as 'maladministration with report'. A summary of the decision in this case follows.

The LGO concluded that the Council did not properly consider the complainants objections to a planning application and did not keep a record of the site visit. As a result the Council granted planning permission for an extension which caused significant shadowing and loss of light. It was recommended that the Council obtained an independent valuation of the complainant's property as it is and as it would be without an extension, and paid compensation equivalent to the difference in value.

£5,000 was paid in compensation, as well as a further £500 for distress, anxiety and the time and trouble pursuing the complaint as recommended by the LGO.

The LGO also recommended that the Council reviewed the resources allocated to the Planning Department, and its record keeping, in particular the procedures for allocating and fast tracking planning applications and associated correspondence.

7.6 Maladministration is defined as when the authority has failed to act reasonably in accordance with the law, its own policies and the generally accepted standards of local administration. The law says that the Ombudsman must look for 'maladministration' when carrying out his/her investigation. The definition of maladministration is very wide and can include:

- delay
- incorrect action or failure to take any action
- failure to follow procedures or the law
- failure to provide information
- inadequate record-keeping
- failure to investigate or reply
- misleading or inaccurate statements
- inadequate consultation
- broken promises.

7.7 The table below outlines the number and types of decisions the Ombudsman made during 2008-09.

Table 10: Ombudsman decisions			
Ombudsman Decision	2006-07	2007-08	2008-09
Maladministration	0	0	1
Local Settlement*	4	6	5
No or Insufficient Evidence of Maladministration	12	7	8
Ombudsman Discretion**	3	4	9
Outside Jurisdiction***	6	8	1

Note: * Local Settlement: The term local settlement is used to describe the outcome of a complaint where, during the course of an investigation, the council takes, or agrees to take, some action which the Ombudsman considers is a satisfactory response to the complaint. This can include compensation

** Ombudsman Discretion: Complaints described as terminated by Ombudsman's discretion are those which have been terminated because, for example:

- the complainant wishes to withdraw his or her complaint;
- the complainant has moved away and the Ombudsman is no longer able to contact him or her;
- the complainant decides to take court action; or
- the Ombudsman finds there is no or insufficient injustice to justify continuing the investigation.

*** Outside Jurisdiction: The Ombudsman can investigate most types of complaints against local authorities. But there are some things the law does not allow them to investigate, such as personnel matters, the internal management of schools and colleges, and matters which affect all or most of the people living in the council's area. Such complaints, when they are terminated, are described as being outside jurisdiction.

7.8 The annual review highlights that of all the complaints the Ombudsmen decides annually, 27.4% were local settlements. For Peterborough City Council there were five cases classified as Local Settlements, that equated to 21.7% of the cases which the Ombudsmen decided were within their jurisdiction. In total the Authority paid £550 in compensation on local settlements compared to £1,900 in 2007-08, £1,550 during 2006-07, £7,760 during 2005-06 and £1,150 during 2004-05.

7.9 The review mentions that there were four complaints made to them about school admissions. Although in three they found no maladministration and one was a local settlement the review does invite the Council to consider reviewing the training given to appeal panel clerks. There were significant delays in responding to these enquiries due to staffing issues at the time. This has been resolved and in the current year there has been only one complaint about a school admission which went to the LGO and Children's Services responded to the enquiry well within the required timescale. This case has subsequently been decided by the LGO as no evidence of Maladministration.

Table 11: Ombudsman (Written enquiries)	2005-06	2006-07	2007-08	2008-09
Number of written enquiries received	28	12	10	18
Average response times	34 days	34 days	33 days	32 days

7.10 The LGO made written enquiries about 18 complaints in the year. The annual review confirms that the Council are still taking too long to respond to these enquiries but an improvement from last year has been seen. The review from the Ombudsman confirms that he looks forward to the Council's continued improvement to bring the Council closer to the target response time of 28 days.

7.11 It is part of the role of the Central Complaints team to monitor and chase the reply to LGO enquiries by individual business units to ensure compliance with the 28 day timescales set by the LGO. Over the past nine months a new process has been used to escalate to the Head of Customer Services any cases which are not completed within 21 days so that contact can be

made between senior management to prioritise this work. This has had a positive effect and year to date the performance in this area has improved significantly to an average response rate of 28.33 days.

7.12 In summary the Ombudsman congratulates the Council's efforts in consulting his investigative staff about appropriate remedies in individual cases. He states that the Council generally investigate complaints thoroughly and fairly and makes good use of his published guidance on remedies.

8. COMPLAINT CATEGORIES

8.1 All complaints are classified into a category that represents the explanation of the complaint. The following table shows the percentage breakdown by category. Table 12 illustrates the categories for all complaints logged by the Central Complaints Office.

Table 12: Complaints by category				
Complaint category	2006-07 Outturn	2007-08 Outturn	2008-09 Outturn	Examples
Not to standard	6.4%	8.0%	10.4%	Hearing loops which were not working
Poor facility/building	0.0%	4.9%	1.6%	Computers out of service at a library
Broken promise/appointment	11.0%	1.0%	2.4%	Housing Options viewing cancelled
Staff attitude/conduct	11.0%	11.7%	10.2%	Rudeness by refuse staff
Breach of confidentiality	0.0%	0.0%	0.8%	Releasing information to the wrong party
Denial/withdrawal of service	2.8%	3.2%	2.8%	Withdrawal of free visitors parking permits
Delayed/failed service	33.9%	53.4%	40.9%	Delays in planning enforcement cases
Lack of/incorrect information about service	3.7%	4.6%	8.3%	Change in opening hours not updated on literature
About legislation	1.0%	1.0%	0.4%	Concerns with legislation used by Pollution Team
About policy	12.8%	6.3%	12.2%	Increase in residents parking charges
Other	17.4%	6.1%	10.2%	Potential damage to property as a result of a tree

8.2 The most common complaint category remains Delayed/failed service for the third year. However About Policy has taken over from Staff attitude/conduct as the second highest.

Delayed/failed service complaints include the following examples

- Continuous non-collection of refuse bins
- Failure of planning enforcement to adhere to realistic timescales in taking enforcement action

About Policy complaints include the following examples

- Several complaints about the Choice Based Lettings System and customers believing that this policy is unfair to them
- Several complaints about parking policy including eligibility requirements for disabled parking and the increased charges to residents parking permits
- Complaint about Benefits policy to continue chasing of small debts when it is more cost effective to write off the debt

8.3 In the current year we are now requesting that all departments provide this level of detail on a monthly return about their Stage 1 complaints which will ensure we are able to give a complete

breakdown of complaint categories at all levels in next years report.

Table 13 shows a breakdown by business area of all complaint categories for all centrally logged complaints a total of 254 complaints.

TABLE 13 : CATEGORY BREAKDOWN	Not to Standard	Poor facility/building	Broken promise/appointment	Staff attitude/conduct or breach of confidentiality	Denial/withdrawal of service	Delayed/failed service	Lack of/incorrect information about a service	About legislation	About policy	Other	
CHIEF EXECUTIVES DEPARTMENT	2	1	2	7	0	1	13	1	0	7	2
Housing Options	1	0	1	7	0	1	5	0	0	6	2
Members Services	0	0	0	0	0	0	1	0	0	0	0
Private Sector Housing/ Care & Repair	0	1	1	0	0	0	3	0	0	0	0
Supporting People	0	0	0	0	0	0	0	0	0	1	0
Housing Strategy/Planning Policy & Enabling	0	0	0	0	0	0	2	1	0	0	0
Investigation Team	1	0	0	0	0	0	2	0	0	0	0
CHILDRENS SERVICES	1	0	0	0	1	0	2	0	0	4	0
Family & Community	1	0	0	0	0	0	1	0	0	0	0
Learning & Skills	0	0	0	0	1	0	1	0	0	4	0
CITY SERVICES	6	0	4	7	0	2	30	3	0	4	4
Facilities/Strategic Support	1	0	0	0	0	0	0	1	0	0	0
Recreation	0	0	0	2	0	0	2	0	0	2	1
Arboriculture Team	0	0	1	0	0	0	0	0	0	1	1
Cleansing	4	0	3	3	0	2	22	2	0	1	1
Grounds Maintenance/Parks & Rec	1	0	0	2	0	0	6	0	0	0	1
OPERATIONS	14	3	0	7	0	3	45	8	1	12	14
City Centre Service (Other)	0	0	0	0	0	0	1	0	0	0	0
Arts/Bereavement/Library	0	2	0	1	0	0	2	0	0	0	1
Sports Services	1	0	0	2	0	1	0	1	0	1	3
Highways/Traffic Management/Engineering	8	0	0	0	0	0	14	1	0	1	1
Street Lighting	0	0	0	0	0	0	4	0	0	1	0
Parking Services	1	0	0	0	0	2	2	2	0	5	2
Passenger Transport/Travel Choice	1	1	0	1	0	0	4	1	0	1	0
Epps/Food/Pest Control/Pollution	2	0	0	2	0	0	8	1	1	0	3
Taxi Enf/Trading Standards & Licensing/	0	0	0	0	0	0	2	0	0	1	0
Planning/Building Control/Enforcement	1	0	0	1	0	0	8	2	0	2	4
STRATEGIC RESOURCES	2	0	0	5	1	1	13	8	0	4	1
Strategic Procurement	0	0	0	0	0	0	1	0	0	0	0
Customer Services	1	0	0	0	0	1	0	2	0	0	0
Insurance	0	0	0	0	0	0	1	0	0	0	0
Human Resources	0	0	0	1	0	0	0	0	0	0	0
Benefits	0	0	0	1	0	0	3	3	0	1	0
Local Tax/Business Rates	0	0	0	1	1	0	6	2	0	3	1
Property (Asset Management)/Strategic Projects	1	0	0	2	0	0	2	1	0	0	0
VARIOUS	1	0	0	0	0	0	1	1	0	0	5
TOTALS	26	4	6	26	2	7	104	21	1	31	26

9. SERVICE IMPROVEMENTS

9.1 Complaints are a valuable source of information and, where appropriate, services use this information to develop service improvements. For each Stage 2 complaint, the Central Complaints Office previously sent out follow up forms to the service area to identify what service improvements or actions have been implemented with respect to the complaint. The Stage 3 complaint recommendations also identify service improvements which are monitored by the Central Complaints Office. Many of these forms were not being returned to Central Complaints and therefore the process has recently been changed so that each Stage 2 and 3 complaint response is analysed and promised service improvements captured on the complaints database. A quarterly report will then be run and sent to departments to ensure they have carried out the improvements which they had identified. From April 2010 this will be extended to Stage 1 complaints and all returns from business units will be analysed and their identified service improvements will be collated and analysed quarterly.

9.2 The table below lists a few of these service improvements:

Department	Service Improvement
City Services	Issues raised in connection to the failure of regularly collecting refuse in particular areas in Peterborough lead to a procedure being implemented that meant the refuse crews radioed in the office to confirm these properties had been visited.
Cultural Services	A complaint regarding the lack of adequate heating in the John Clare theatre prompted the need for an additional process to be implemented when setting up the theatre for use.
Planning Services	Introduction of new procedure to ensure that proper file notes are used to record site visits and telephone contact in planning cases to prevent important information being missed.
Council Tax	More robust checking procedure implemented before a debt is passed to bailiffs to ensure recovery action does not proceed against innocent parties

9.3 Last year there was a request from Scrutiny Committee members to increase the amount of data available about complaint outcomes and categories. Without a combined electronic system this has always proved difficult. However we have recently put in place both an outcomes and category column in the Stage 1 returns which are sent from each business unit each month. From next year we will be able to report the total category types for all complaints across the Authority and the total number of complaints upheld, partially upheld or not upheld. This will allow us to depict a fuller picture of why customers complain.

9.4 Table 15 illustrates that almost half of all complaints received by the corporate complaints team were received via email or the online form. This highlights that the complaints pages on the councils website are easily accessible and customers feel confident using this route to log a complaint. The majority of these customers request their responses via email, and this is clearly the most cost effective way to deal with complaints.

How received	2008-09
Chief Exec's Office	7.1%
Email/Online Form	47.5%
Fax	0.0%
In Person	3.4%
In Writing	18.9%
Local Government Ombudsman	5.9%
Telephone	16.8%
Through a representative	0.4%

9.5 Therefore it is important that we focus on developing the complaints pages on the council's

website. This leads on from the objectives we set in last years report:

- Recent direction from the Local Government Ombudsman (LGO) advises that Authorities who promote their complaints service well increase their focus on customer service and this should lead to improvements in customer satisfaction.
- Better signposting on the Council Website would also lead to more direct action on service requests, leaving Central Complaints officers more time to review complaints for service improvements.

Now that the new Council Website has been launched we will be able to bring about significant changes to ensure enquiries are directed electronically with less delay.

10. IMPLICATIONS

10.1 Customer Service

Customer service and perception of the Council will improve if complaints are processed quickly and effectively. If complaints are resolved at the earliest opportunity this ultimately saves time by more senior officers when complaints are escalated. If service improvements are identified and acted upon this will lead to fewer complaints in the future and improve the Council's reputation.

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

11.1 Local Government Ombudsman Annual Review 2008-09

SUSTAINABLE GROWTH SCRUTINY COMMITTEE	Agenda Item No. 7
15 MARCH 2010	Public Report

Report of the Solicitor to the Council

Contact Officer – Louise Tyers, Scrutiny Manager

Contact Details – 01733 452284 or email louise.tyers@peterborough.gov.uk

FORWARD PLAN – MARCH TO JUNE 2010

1. PURPOSE

- 1.1 This is a regular report to the Sustainable Growth Scrutiny Committee outlining the content of the Council's Forward Plan.

2. RECOMMENDATIONS

- 2.1 That the Committee identifies any relevant items for inclusion within their future work programme.

3. BACKGROUND

- 3.1 The latest version of the Forward Plan is attached at Appendix 1. The Plan contains those key decisions, which the Leader of the Council believes that the Cabinet or individual Cabinet Member(s) will be making over the next four months.
- 3.2 The information in the Forward Plan provides the Committee with the opportunity of considering whether it wishes to seek to influence any of these key decisions, or to request further information.
- 3.3 If the Committee wished to examine any of the key decisions, consideration would need to be given as to how this could be accommodated within the work programme.

4. CONSULTATION

- 4.1 Details of any consultation on individual decisions are contained within the Forward Plan.

5. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

None

6. APPENDICES

Appendix 1 – Forward Plan of Executive Decisions

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**PETERBOROUGH CITY
COUNCIL'S FORWARD PLAN
1 MARCH 2010 TO 30 JUNE 2010**

FORWARD PLAN OF KEY DECISIONS - 1 MARCH 2010 TO 30 JUNE 2010

During the period from 1 March 2010 To 30 June 2010 Peterborough City Council's Executive intends to take 'key decisions' on the issues set out below. Key decisions relate to those executive decisions which are likely to result in the Council spending or saving money in excess of £500,000 and/or have a significant impact on two or more wards in Peterborough.

This Forward Plan should be seen as an outline of the proposed decisions and it will be updated on a monthly basis. The dates detailed within the Plan are subject to change and those items amended or identified for decision more than one month in advance will be carried over to forthcoming plans. Each new plan supersedes the previous plan. Any questions on specific issues included on the Plan should be included on the form which appears at the back of the Plan and submitted to Lindsay Tomlinson, Senior Governance Officer, Chief Executive's Department, Town Hall, Bridge Street, PE1 1HG (fax 01733 452483). Alternatively, you can submit your views via e-mail to lindsay.tomlinson@peterborough.gov.uk or by telephone on 01733 452238.

The Council invites members of the public to attend any of the meetings at which these decisions will be discussed and the papers listed on the Plan can be viewed free of charge although there will be a postage and photocopying charge for any copies made. All decisions will be posted on the Council's website: www.peterborough.gov.uk. If you wish to make comments or representations regarding the 'key decisions' outlined in this Plan, please submit them to the Governance Support Officer using the form attached. For your information, the contact details for the Council's various service departments are incorporated within this plan.

NEW ITEMS THIS MONTH:

- Opportunity Peterborough Business Plan
- Affordable Housing Fund allocation for Stanground South
- Economic Participation Programme – Funding Allocations
- Adult Drug Treatment Plan
- Supporting People Programme: Independent Living Support Service
- Extension to Hampton Hargate School

MARCH

KEY DECISION REQUIRED	DATE OF DECISION	DECISION MAKER	RELEVANT SCRUTINY COMMITTEE	CONSULTATION	CONTACT DETAILS / REPORT AUTHORS	REPORTS
Culture Trust To agree whether to proceed with the Trust as set out in the Cabinet decision of 12 October 2009	March 2010	Cabinet	Strong & Supportive Communities	All relevant stakeholders as appropriate	John Harrison Executive Director-Strategic Resources Tel: 01733 452398 john.harrison@peterborough.gov.uk	Public report will be available from the Governance Team one week before the decision is made.
Opportunity Peterborough Business Plan To endorse the draft Opportunity Peterborough Business Plan 2010/13.	March 2010	Cabinet	Sustainable Growth	All relevant stakeholders as appropriate	Gillian Beasley Chief Executive Tel: 01733 452302 gillian.beasley@peterborough.gov.uk	Public report will be available from the Governance Team one week before the decision is made.
Refreshed Local Area Agreement (LAA) To sign off the refreshed LAA prior to its submission to the Government Office	March 2010	Leader of the Council	Environment Capital	Relevant stakeholders and for a including Environment Capital Scrutiny Committee	Christina Wells Head of Strategic Improvement & Partnerships Tel: 01733 863604 christina.wells@peterborough.gov.uk	Public report will be available from the Governance Team one week before the decision is made.

<p>Carbon Challenge - Option Agreement and Collaboration Agreement To authorise the Chief Executive in consultation with the Executive Director Strategic Resources, Head of Legal Services and Head of Strategic Property to agree the final wording of and enter into: 1) an Option Agreement with the Developer of the Carbon Challenge Site; and 2) a Collaboration Agreement with the public sector Partners for Peterborough City Carbon Challenge.</p>	March 2010	<p>Cabinet Member for Strategic Planning, Growth and Human Resources</p>	Sustainable Growth	Internal departments as appropriate	<p>Gillian Beasley Chief Executive Tel: 01733 452302 gillian.beasley@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p> <p>100212 CC CMDN</p> <p>100204 CC - Public Report</p>
<p>Affordable Housing Fund Allocation for Stanground South To award funding from the affordable housing fund to Cross Keys Homes to enable the delivery of 80 affordable homes at Stanground South.</p>	March 2010	<p>Cabinet Member for Strategic Planning, Growth and Human Resources</p>	Sustainable Growth	All appropriate stakeholders will be consulted	<p>Anne Keogh Housing Strategy Manager Tel: 01733 863815 anne.keogh@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p>

<p>Economic Participation Programme Approval for the Executive Director, Operations to authorise alterations to the schedule of funding allocations on the Programme in 2009-10 and 2010-11 up to the value of £150,000 per project.</p>	March 2010	<p>Cabinet Member for Regional and Business Engagement</p>	Strong & Supportive Communities	Internal departments as appropriate	<p>Anne Senior Economic Participation Manager Tel: 01733 864106 anne.senior@peterborough.gov.uk</p>	Public report will be available from the Governance Team one week before the decision is made.
<p>Automatic Number Plate Recognition System (ANPR) Authority to award the contract in partnership with the Police and Cambridgeshire County Council for the procurement of ANPR cameras to provide real time journey time data</p>	March 2010	<p>Cabinet Member for Neighbourhoods, Housing and Community Development</p>	Environment Capital	External and internal stakeholders as appropriate	<p>Susan Fitzwilliam Development Officer Tel: 01733 452441 susan.fitzwilliam@peterborough.gov.uk</p>	Public report will be available from the Governance Team one week before the decision is made.
<p>Local Transport Plan Capital Programme of Works 2010/11 To approve the proposed programme of works for 2010/11</p>	March 2010	<p>Cabinet Member for Neighbourhoods, Housing and Community Development</p>	Environment Capital	Consultation will be undertaken with the relevant internal stakeholders and with the Environment Capital Scrutiny Committee	<p>Sally Savage Senior Project Support Worker Tel: 01733 452655 sally.savage@peterborough.gov.uk</p>	Public report will be available from the Governance Team one week before the decision is made.

<p>Adult Drug Treatment Plan 2010/11 The Plan is required by the National Treatment Agency for Substance Misuse (NTA) and sets out how the Safer Peterborough Partnership (SPP) will meet the targets and priorities it has identified locally in relation to tackling drugs.</p>	March 2010	<p>Cabinet Member for Neighbourhoods, Housing and Community Development</p>	Commission for Health Issues	<p>Consultation has been undertaken with the Safer Peterborough Partnership Board; SPP Delivery Board; SPP Adult Joint Commissioning Group for Drugs; local service providers; and the local service user group, SUGA</p>	<p>Karen Kibblewhite Community Safety And Substance Misuse Manager Tel: 01733 864122 karen.kibblewhite@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p>
<p>PCC Building Schools for the Future Programme - ICT Managed Service To approve delegations for the procurement of the ICT Managed Service</p>	March 2010	<p>Cabinet Member for Education, Skills and University</p>	Creating Opportunities and Tackling Inequalities	<p>Consultation will be undertaken with head teachers, Building Schools for the Future project team, DLT, Schools IT Working Group</p>	<p>Brian Howard PFI Project Manager Tel: 01733 863976 brian.howard@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p>

<p>PCC Building Schools for the Future Programme - Approvals Processes To agree the approval processes for the programme</p>	March 2010	<p>Cabinet Member for Education, Skills and University</p>	Creating Opportunities and Tackling Inequalities	Ward councillors, relevant portfolio holders and internal departments as appropriate	<p>Brian Howard PFI Project Manager Tel: 01733 863976 brian.howard@peterborough.gov.uk</p>	Public report will be available from the Governance Team one week before the decision is made.
<p>Award of Contract - Nene Valley Primary School To award the contract for an extension to the school</p>	March 2010	<p>Cabinet Member for Education, Skills and University</p>	Creating Opportunities and Tackling Inequalities	Internal departments as appropriate	<p>Alison Chambers Asset Development Officer Tel: 01733 863975 alison.chambers@peterborough.gov.uk</p>	Public report will be available from the Governance Team one week before the decision is made.
<p>Award of Contract - Heltwate School To award the contract for refurbishment of the school</p>	March 2010	<p>Cabinet Member for Education, Skills and University</p>	Creating Opportunities and Tackling Inequalities	Internal departments as appropriate	<p>Alison Chambers Asset Development Officer Tel: 01733 863975 alison.chambers@peterborough.gov.uk</p>	Public report will be available from the Governance Team one week before the decision is made.

<p>Supporting People Programme: Independent Living Support Service To approve a contract between Peterborough City Council and NHS Peterborough to jointly commission existing housing related support services where social care is also provided or the services meet local or national priorities and strategy through the NHS Peterborough commissioned Independent Living Support Service, for an initial term of 3 years from 1 April 2010 with the discretion to extend this on an annual basis to a maximum of 5 years.</p>	<p>March 2010</p>	<p>Cabinet Member for Health and Adult Social Care</p>	<p>Commission for Health Issues</p>	<p>Supporting People Providers Forum, Core Strategy and Development Group and the Commissioning Body.</p>	<p>Belinda Child Housing Strategic Manager Tel: 01733 863769 belinda.child@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p>
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<p>Hampton Children's Centre The development of a children's centre facility in the grounds of Hampton Hargate Primary School. The facility will comprise rooms for a larger pre-school as well as multi function rooms to develop a range of services predominantly for children under 5 and their families</p>	<p>March 2010</p>	<p>Cabinet Member for Children's Services</p>	<p>Creating Opportunities and Tackling Inequalities</p>	<p>A range of people and organisations have been consulted through the process. Ongoing consultation will take place in working with parents to ensure the service delivered from the facility meet local needs</p>	<p>Pam Setterfield Assistant Head of Children & Families Services (0-13) Tel: 01733 863897 pam.setterfield@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p>
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<p>Section 75 Pooled funding arrangements for substance misuse services</p> <p>Variation to the existing partnership agreement under the National Health Act 2006 to pool funding from NHS Peterborough and PCC to commission drugs services. The variation takes into account the slight changes to governance and structure of the former Drug and Alcohol Action Team, now part of the Safer Peterborough Partnership, and additional funding made available to NHS Peterborough for integrated drug treatment within HMP Peterborough.</p>	March 2010	Cabinet Member for Resources	Commission for Health Issues	Internal stakeholders as appropriate	<p>Paul Phillipson Executive Director Operations Tel: 01733 453455 paul.phillipson@peterborough.gov.uk</p>	<p>Public report will be available from the Governance team one week before the decision is made</p>
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<p>Connected Care Peterborough To authorise the acquisition of the long lease of 102-104 Bridge Street, Peterborough by the city council from which NHS Peterborough will deliver the Connected Care model under the Council's Economic Participation Programme</p>	March 2010	Cabinet Member for Resources	Sustainable Growth	Local residents, ward councillors, relevant Cabinet Members, local MPs	Paul Phillipson Executive Director Operations Tel: 01733 453455 paul.phillipson@peterborough.gov.uk	Public report will be available from the Governance Team one week before the decision is made.
<p>Sale of Land at Dickens Street Car Park To authorise the Cabinet Member and the Chief Executive to negotiate and conclude the sale of the surplus land</p>	March 2010	Cabinet Member for Resources	Sustainable Growth	Consultations will be undertaken with relevant stakeholders and ward councillors	Andrew Edwards Head of Strategic Property Tel: 01733 384530 andrew.edwards@peterborough.gov.uk	Public report will be available from the Governance Team one week before the decision is made.
<p>Surrender of Lease To agree the acceptance of the surrender of a lease</p>	March 2010	Cabinet Member for Resources	Sustainable Growth	Internal consultations as appropriate and with ward members	Andrew Edwards Head of Strategic Property Tel: 01733 384530 andrew.edwards@peterborough.gov.uk	Public report will be available from the Governance Team one week before the decision is made.

<p>Disposal of the Former Lady Lodge Site Sale of the site subject to detailed planning consent for the development of a 70 bedroom care home for the elderly</p>	<p>March 2010</p>	<p>Cabinet Member for Resources</p>	<p>Sustainable Growth</p>	<p>Ward councillors and internal departments as appropriate</p>	<p>Andrew Edwards Head of Strategic Property Tel: 01733 384530 andrew.edwards@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made.</p>
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APRIL

KEY DECISION REQUIRED	DATE OF DECISION	DECISION MAKER	RELEVANT SCRUTINY COMMITTEE	CONSULTATION	CONTACT DETAILS / REPORT AUTHORS	REPORTS
<p>Joint Service Centre at Hampton To commence the procurement process for a design and build contract for the provision of new leisure and library facilities at Hampton as part of the joint service centre in partnership with NHS Peterborough</p>	<p>April 2010</p>	<p>Deputy Leader and Cabinet Member for Environment Capital and Culture</p>	<p>Strong & Supportive Communities</p>	<p>Consultation will take place with the Cabinet Member of Community Services, ward councillors, affected divisions within PCC and potential user groups in Hampton.</p>	<p>Fiona O'Mahony Hampton Joint Service Centre Project Director Tel: 01733 863856 fiona.o'mahony@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made</p>

MAY

THERE ARE CURRENTLY NO DECISIONS SCHEDULED FOR MAY

JUNE

KEY DECISION REQUIRED	DATE OF DECISION	DECISION MAKER	RELEVANT SCRUTINY COMMITTEE	CONSULTATION	CONTACT DETAILS / REPORT AUTHORS	REPORTS
<p>Extension to Hampton Hargate School Authority to award a contract for the construction of an extension to Hampton Hargate Primary School</p>	<p>June 2010</p>	<p>Cabinet Member for Education, Skills and University</p>	<p>Creating Opportunities and Tackling Inequalities</p>	<p>Consultation will take place with relevant stakeholders, internal departments and ward councillors as appropriate.</p>	<p>Isabel Clark Planning & Development Manager Tel: 01733 863914 isabel.clark@peterborough.gov.uk</p>	<p>Public report will be available from the Governance Team one week before the decision is made</p>

CHIEF EXECUTIVE'S DEPARTMENT Town Hall, Bridge Street, Peterborough, PE1 1HG

Communications
Strategic Growth and Development Services
Legal and Democratic Services
Policy and Research
Economic and Community Regeneration
Housing Strategy
Drug Intervention Programme and Drug and Alcohol Team

CITY SERVICES DEPARTMENT Nursery Lane, Fengate, Peterborough PE1 5BG

Property Services
Building & Maintenance
Streetscene and Facilities
Finance and Support Services

STRATEGIC RESOURCES DEPARTMENT Director's Office at Town Hall, Bridge Street, Peterborough, PE1 1HG

Finance
Internal Audit
Information Communications Technology (ICT)
Business Transformation
Performance and Programme Management
Strategic Property
Human Resources
Customer Services

CHILDRENS' SERVICES DEPARTMENT Bayard Place, Broadway, PE1 1FB

Families and Communities
Commissioning and Performance
Learning

ENVIRONMENTAL AND COMMUNITY SERVICES DEPARTMENT Bridge House, Town Bridge, PE1 1HB

Planning Services

Building Control Services

Cultural Services

Transport and Engineering Services

EMERGENCY PLANNING

OCCUPATIONAL HEALTH

CITY CENTRE SERVICES

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