

<b>AUDIT COMMITTEE</b>	AGENDA ITEM No. 7
<b>14 SEPTEMBER 2020</b>	<b>PUBLIC REPORT</b>

Cabinet Member(s) responsible:	Cllr David Seaton, Cabinet Member for Finance	
Contact Officer(s):	Peter Carpenter, Acting Corporate Director Resources	Tel. 452520

## USE OF CONSULTANTS – UPDATE REPORT

R E C O M M E N D A T I O N S	
<b>FROM :</b> Corporate Director Resources	<b>Deadline date :</b> N/A
<p>1. That Audit Committee consider the update report on the use of Consultants for the financial year 2019/20, and the first four months of 2020/21.</p>	

### 1. ORIGIN OF REPORT

- 1.1 This report is submitted to Audit Committee following the Sustainable Growth Scrutiny Committee review into Peterborough City Council's use of consultants, the subsequent endorsement of their recommendations by Cabinet, and the agreement of Audit Committee to undertake an on-going monitoring role.

### 2. PURPOSE AND REASON FOR REPORT

- 2.1 Sustainable Growth Scrutiny Committee recommended that the on-going monitoring role at Member level is undertaken by Audit Committee. Audit Committee considered their approach to this role at their meeting of 26 March 2012. This report is in line with the approach agreed and subsequent updates, and is in accordance with the Committees' Terms of Reference:

- 2.2.1.11 To review any issue referred to it by the Chief Executive or a Director, or any Council body; and
- 2.2.1.15 To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.

### 3. TIMESCALE

Is this a Major Policy Item / Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	N/A
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### 4. REVIEW OF THE USE OF CONSULTANTS

- 4.1 In March 2010, the Sustainable Growth Scrutiny Committee requested a review into Peterborough City Council's use of consultants. A cross-party review group was established to undertake this work on behalf of the Sustainable Growth Scrutiny Committee.
- 4.2 The report from the Consultancy Review Group was issued in March 2011. Scrutiny also recommended that on-going monitoring of the use of consultants should fall to Audit Committee. Audit Committee considered this role at their meeting of 26 March 2012.
- 4.3 A further report, outlining the information requested, was discussed at the meeting of 5 November 2012. Further updates have been considered at subsequent meetings, continuing the regular reporting to Audit Committee.

#### 4.4 **Use of consultants**

The definition of consultancy is based upon standard procurement classification. As such it covers a wide range of companies and services. Expenditure is included here if it meets the standard classification, irrespective of exactly what services have been provided.

4.5 The spend for the last ten full years, plus in current year to date is shown below.

	<b>Total £m</b>
2009-10	8.5
2010-11	6.4
2011-12	5.4
2012-13	4.3
2013-14	4.5
2014-15	3.1
2015-16	2.5
2016-17	3.0
2017-18	2.4
2018-19	2.7
2019-20	4.5
2020-21 (first 4 months)	0.7

4.6 The spend for 2020-21 was £4.5m. The largest item within this figure is £2.42m spent with Grant Thornton on the council's financial improvement programme. The final position increased compared to the full year estimate for consultants costs of £3.7m reported to the last meeting. This is mainly as a result of commissioning a further £400k of work from Grant Thornton, in connection with the Lean Cost review. Other significant increases include in Adult Social Care, Interim Housing and Financial management, and data centre works for Cambridgeshire County Council, for which recharges have been made. The first 4 months of 2020-21 show costs of £674k.

4.7 The policy agreed by Cabinet and Audit Committee to manage use of consultants, including the need for a business case to be produced, remains in place. The Corporate Management Team has continued to keep spend under review as part of the budget monitoring process.

4.8 A list of companies used for the period 1 April 2019 to 31 March 2020 is included in Appendix 1, and for the period 1 April 2020 to 31 July 2021 in Appendix 2.

#### **Agency**

4.9 The Council also employs Agency staff through a number of Contracts. The spend for the past 4 financial years on Agency has been:

- 2016/17 - £6.3m
- 2017/18 - £6.5m
- 2018/19 - £8.8m
- 2019/20 - £6.4m
- 2020/21 first four months - £1.2m

### **5. CONSULTATION**

5.1 Audit Committee considered options for how they wish to monitor use of consultants in the future at their meeting of 26 March 2012. Subsequent discussions at the meetings referred to have refined the information they wish to monitor.

### **6 ANTICIPATED OUTCOMES**

6.1 That Audit Committee consider the update report on the use of consultants.

## **7 REASONS FOR RECOMMENDATIONS**

- 7.1 The recommendations are in line with the recommendations of Scrutiny, and the view of Audit Committee in undertaking this role.

## **8 ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 Audit Committee considered options for how they wish to monitor use of consultants in the future at their meeting of 26 March 2012.

## **9 IMPLICATIONS**

- 9.1 Where appropriate, the policy outlines implications for areas such as Legal, Human Resources, Procurement and Finance.
- 9.2 This report does not have implications for specific wards.

## **10 BACKGROUND DOCUMENTS**

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

- Consultancy Review Report, March 2011;
- Report to Sustainable Growth Scrutiny Committee, 8 November 2011;
- Report to Sustainable Growth Scrutiny Committee, 6 March 2012;
- Reports to Cabinet and Audit Committee 26 March 2012;
- Reports to Audit Committee of 5 November 2012; 4 February 2013;
- Report to Audit Committee of 4 November 2013;
- Report to Audit Committee of 3 November 2014 and supplementary report to Audit Committee of 2 February 2015;
- Report to Audit Committee of 9 November 2015
- Report to Audit Committee of 22 November 2016
- Reports to Audit Committee of 19 November 2018; 11 February 2019
- Reports to Audit Committee of 15 July 2019; 16 September 2019; 18 November 2019; 27 January 2020

## **11 APPENDICES**

- Appendix 1 - list of companies used during the period 1 April 2019 to 31 March 2020 with summary
- Appendix 2 – list of companies used during the period 1 April 2020 to 30 July 2020

2019/20

## Appendix 1 - List of companies with Summary

2019/20		
Supplier Name	Initiative	Amount
4OC Ltd	People & Communities Savings programme; Adults Positive Challenge	386,242.75
Airey Consultancy Services Ltd	Council Tax reduction scheme	6,600.00
Allen Lane	HRA accountant / support to Finance change management	118,748.39
Athene Communications	"March Forth" campaign	4,900.00
Cambridgeshire County Council	Adult Social Care consultancy	115,080.64
Campbell Tickell Ltd	Interim Housing Director	66,500.00
CapacityGrid	Empty Homes Review	52,237.58
Capita Business Services Ltd	Capita One YJ Oracle Environment Problem resolution	500.00
CCG	Commissioning Team	12,500.00
CEB Global Ltd	Finance Improvement & delivery of MTFS savings agenda	15,542.47
Crisp, Mr Brian	Complaint Investigation	1,497.50
Eddisons Commercial Ltd t/a Barker Storey Matthews	Fee in relation to lettings support	3,620.00
Fenland District Council	CCTV	33,142.08
Fiona Spinks	GDPR work	30,789.00
Gartner U.K. Limited	Finance Improvement & delivery of MTFS savings agenda	31,930.00
Gerald Eve LLP	Property valuation	7,000.00
Grant Thornton UK LLP	Finance Improvement & delivery of MTFS savings agenda	2,423,126.71
Housing Partners Ltd	Housing ICT system replacement support	12,167.00
Ideagen Gael Ltd	ICT support	1,792.50
Idox Software Ltd	ICT support	475.00
Inform CPI Ltd	RV Finder	29,590.00
J C Associates	Complaint investigation	2,383.15
Lisa Bunyan	Integrated Communities Strategy	19,808.10
Liz Holmes Consultancy	Phonics training (schools standards)	1,024.00
Mark Stephen Land Management	Soil testing	750.00

McClellan, Mrs Hayley	Children's Services Panel	667.70
Mr Andrew Hawes	Literacy training	250.00
Nourish Education Consultancy	SEMH pathway review	10,150.73
NPS Peterborough Ltd	Property Support	142,335.04
Omnico Group UK Limited	ICT support	2,975.00
Paul Stainton Media Ltd	Video production	6,000.00
Penna Plc	Interim Development Director	152,331.51
Perfect Motion	Great Eastern Run	1,250.00
Permanent Futures Ltd	Towns fund bid	11,040.00
PT Consultancy	EU Settlement Scheme support and monitoring	20,000.00
Ray Worsley Education Consultancy	HR Employment related support	2,902.35
Reed Specialist Recruitment Limited	Programme Management Office 158k; BID 120k; Homeless 50 project 62k	340,467.21
Regen Management Consultancy Limited	BID Development	5,500.00
RINA Consulting Ltd	Support related to Empower Loan facility	3,700.00
RJW Associates Ltd	Peterborough Safeguarding Board	31,625.00
Serco Ltd	ICT support 164k; Integrated Communities 25k; 17k other	206,075.75
Skanska	Asset management - target cost audit (Bourges Boulevard & Long Causeway)	3,831.85
South Cambs District Council	Gypsy and Traveller Needs Assessment	4,383.60
Structural Design (Alveley) Ltd	Solar PV	425.00
Tamar Communications Ltd	Finance change management support	74,965.40
Terrier Management Services	Complaint investigation	1,056.10
The Planning Inspectorate	Public Examination of the Peterborough Local Plan	2,969.07
TLT LLP	Legal support regarding accreditation and liability for Climate Change Levy	12,674.00
TMI Systems Ltd	ICT support	395.00
Valuation Office Agency	Viability advice regarding planning application	3,500.00
Vero HR Ltd	HR Employment related support	2,286.90
Vivacity Culture and Leisure	Contribution to 18/19 Penna consultant fees 32k; City of culture consultation	34,178.17
WESTCO TRADING LIMITED	Strategic Communications Support	81,812.50
<b>2019/20 Total for April 2019-Mar 2020</b>		<b>4,537,694.75</b>

**2020/21 (1 April – 31 July 2020)**

**Appendix 2 - List of companies with Summary**

<b>2020/21</b>		
<b>Supplier Name</b>	<b>Initiative</b>	<b>Amount</b>
3DReid Birmingham Ltd	Feasibility design city centre regeneration project	9,500.00
Allen Lane	HRA Accountant / support to Finance change management	35,118.57
Arcus Global Ltd	Integration work to the new payment portal	2,709.50
Cambridgeshire County Council	Adult Social Care consultancy 76k; ICT 67k	143,559.58
Campbell Tickell Ltd	Interim Housing Director	53,375.00
Civica UK Limited	Regulatory Services (Taxi) technical support	4,000.00
Eddisons Commercial Ltd t/a Barker Storey Matthews	Viability assessment regeneration project	7,500.00
Gemini Consultants Ltd	Termination of Local Authority Mortgage Administration	645.00
Grant Thornton UK LLP	Financial Improvement Programme, Lean Cost Structure	46,081.97
Housing Partners Ltd	ICT strategy	11,361.50
Idox Software Ltd	Regulatory Services (HMO & Taxi) technical support	900.00
Inform CPI Ltd	RV Finder	700.00
Liz Holmes Consultancy	Phonics training (schools standards)	550.00
NCVO National Council for Voluntary Org.	Commissioning Team	1,250.00
NPS Peterborough Ltd	Property Support	47,436.47
Penna Plc	Interim Development Director	33,881.25
Permanent Futures Ltd	Development consultant for Towns Fund	37,260.00
Quadrant Security Group Ltd	CCTV relocation project	4,830.00
RJW Associates Ltd	Peterborough Safeguarding Board	7,556.64
Serco Ltd	ICT project support	179,623.46
SQW Limited	Advice on structure of investment plan	1,823.00
Tamar Communications Ltd	Finance change management support	36,177.00
Valuation Office Agency	Viability advice regarding planning application	1,000.00
Vero HR Ltd	HR support - Joint Consultative Forum	1,490.00
Vivacity Culture and Leisure	Abortive prior year costs in relation to Great Eastern Run	5,425.00
<b>2020/21 Total for April 2020-July 2020</b>		<b>673,753.94</b>



