

AUDIT COMMITTEE	AGENDA ITEM No. 7
16 NOVEMBER 2020	PUBLIC REPORT

Report of:	Peter Carpenter	
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

RECOMMENDATIONS	
FROM: Corporate Director Resources	Deadline date: N/A
<p>It is recommended that Audit Committee:</p> <p>1. consider the update report on the use of Consultants for the first six months of 2020/21.</p>	

1. ORIGIN OF REPORT

- 1.1 This report is submitted to Audit Committee following a referral from Sustainable Growth Committee on 6 March 2012

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to update Audit Committee as to the level of spend on external Consultants.

The report is presented to enable review of the consultancy and interim policy adopted on 26 March 2012.

- 2.2 This report is for Audit Committee to consider under its Terms of Reference No.

- 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. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	n/a
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4. BACKGROUND AND KEY ISSUES

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

	Total £m
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 6 months)	0.9

4.5 The first six months of 2020-21 show costs of £0.9m These are detailed in Appendix 1.

4.6 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 six months - £1.7m

4.7 An assessment has also been made of total employee expenditure (Establishment and Agency) for the first 6 months of the year and this has been compared to the two previous years. This is set out in the following table:

Temp & Salary Costs Per Month			
	18/19	19/20	20/21
April	3,395,975.47	3,456,805.06	3,489,950.39
May	5,357,665.28	4,235,194.36	4,108,366.85
June	4,534,023.45	4,346,796.77	4,159,728.69
July	4,591,925.28	4,276,201.34	4,245,069.62
August	4,754,889.98	3,819,113.72	4,146,755.00
September	4,564,922.17	6,112,886.68	4,382,435.19
Total	27,199,401.63	26,246,997.93	24,532,305.74

Overall, expenditure for the first 6 months on employees has decreased by £2.667m over the past 2 years. This projects to a £5m full year effect savings which reflects the controls that have been implemented over the past two years around establishment control including the use of agency and consultancy resources.

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 OR IMPACT

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

7. REASON FOR THE RECOMMENDATION

- 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

Financial Implications

- 9.1 The report sets out the costs of consultants and agency staff.

Legal Implications

- 9.2 There are no legal implications

Equalities Implications

- 9.3 There are no equalities implications.

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
- Report to Audit Committee 14 September 2020

10.1 *List any documents and other information used to write this report. DO NOT include exempt items. Be specific as anything you list here must be available for public inspection for several years after the committee meeting.*

11. APPENDICES

11.1 Appendix 1 - list of companies used during the period 1 April 2020 to 30 September 2020 with summary of purpose of engagement.

**Appendix 1 - List of companies with Summary
2020/21 (April – 30 September 2020)**

Supplier Name	Initiative	Amount
3DReid Birmingham Ltd	Feasibility design city centre regeneration project	16,000.00
Allen Lane	Housing accountant / support to Finance change management	69,641.91
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	71,750.00
Civica UK Limited	Regulatory Services (Taxi) technical support	4,000.00
Eddisons Commercial Ltd t/a Barker Storey Matthews	Viability assessment regeneration project	9,500.00
Fathom Consultancy Solutions Ltd	Review of the future market place in leisure	3,890.63
Gemini Consultants Ltd	Termination of Local Authority Mortgage Administration	645.00
Grant Thornton UK LLP	Financial Improvement Programme, Lean Cost Structure	106,081.97
Housing Partners Ltd	ICT strategy	11,361.50
Idox Software Ltd	Regulatory Services (HMO & Taxi) technical support	900.00
Inform CPI Ltd	RV Finder	8,050.00
Liz Holmes Consultancy	Phonics training (schools standards)	550.00
NCVO National Council for Voluntary Org.	Commissioning Team	1,250.00
No5 Barrister Chambers Ltd	Legal support	875.00
NPS Peterborough Ltd	Property Support	88,436.46
Penna Plc	Interim Development Director	56,062.50
Permanent Futures Ltd	Development consultant for Towns Fund	55,890.00
Quadrant Security Group Ltd	CCTV relocation project	4,830.00
RJW Associates Ltd	Peterborough Safeguarding Board	9,882.46
Serco Ltd	ICT Project support	240,821.21
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	1,827.50
Vivacity Culture and Leisure	Abortive prior year costs in relation to Great Eastern Run	5,425.00
2020/21 Total for April 2020-September 2020		952,940.22

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