



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	OVERVIEW AND SCRUTINY COMMITTEE – 3 SEPTEMBER 2019
Report Number	AGENDA ITEM 11
Subject	USE OF CONSULTANTS - UPDATE
Wards affected	N/A
Accountable member	Councillor Mike Evemy, Deputy Leader and Cabinet Member for Finance Email: mike.evemy@cotswold.gov.uk
Accountable officer	Christine Gore, Executive Director (Commissioning) Tel: 01285623605 Email: Christine.gore@publicagroup.uk
Summary/Purpose	To update Committee on work in relation to the use of consultants by the Council and Publica, including how the separation of consultant use between CDC and Publica is managed.
Annexes	Annex A – Draft Commissioning Strategy
Recommendation/s	<i>To note the report</i>
Corporate priorities	N/A
Key Decision	No
Exempt	No
Consultees/ Consultation	None required

1. BACKGROUND

At its meeting on 4 December 2018 the Committee considered a report on the use of consultants. The resolution of the Committee at that time was that the report be noted; however, in the meantime an item has been added to the work programme with the intention being to 'make recommendations on how the separation of consultants use between CDC and Publica should be viewed within a suitable control framework'.

2. MAIN POINTS

- 2.1.** In April 2019 Publica appointed to the role of Business Manager – Commissioning. Whilst that officer has been in post for a relatively short time, he has put considerable effort into reviewing the documentation that was provided to this Committee in December 2018 which set out the extent of the use of consultants and associated spend. In addition he has worked with the Procurement Team to understand the detail of the Contracts Register and how in future the teams can work more closely together to deliver better value for the partner Councils and give assurance on controls.
- 2.2.** As was explained to the Committee previously, the purpose of this work is to ensure that in future, commissioning should be undertaken in a co-ordinated manner to avoid duplication or unnecessary expense. For example, where a specific piece of work is required by all three of Publica's main partner councils, and the expertise does not exist in-house, detailed consideration is now being given to whether that work can be jointly commissioned under a single contract at a cheaper price than three separate contracts, or whether there is a business case for appointing an officer with the relevant expertise so that the work can be carried out in-house. Greater control is already being exerted, through this process, over expenditure on consultants.
- 2.3.** To date in the majority of cases, any work that requires to be commissioned externally is for the benefit of a specific Council, and whilst Publica employees will undertake the actual commissioning, any associated expenditure (unless already budgeted) must be agreed at the appropriate level within the Council, i.e. by the Section 151 Officer, the relevant Cabinet Members, Cabinet or Council, depending upon the value of the work.
- 2.4.** Where a joint procurement is agreed clear cost attribution between the partners is set out at the beginning and agreed using appropriate councillor or officer delegations (including statutory officers).
- 2.5.** Publica also has the ability to commission consultants for its own purposes. Examples of this would include the commissioning of experts in ICT to assist in the identification of a suitable application platform; or the commissioning of external legal or HR advice in relation to the implementation of new staff terms and conditions. Publica has its own budgetary provision for this (typically this relates to transformation type activities) but is required to seek the approval of its shareholder councils if it is not included within core budgets or the business plan..

- 2.6. One of Publica's key functions is to commission services (including expert advice from external providers or consultants) on behalf of the Council. A Commissioning Framework was considered by this Committee in December 2017, setting out at a high level the way in which this would happen. A Commissioning Strategy, setting out the relationships and processes involved in commissioning, is now in the process of being finalised, and the working draft is appended to this report at Annex A.. One of the key issues relates to Publica's role in advising its shareholder councils when it comes to recommissioning the services provided by Publica. The Commissioning Framework and Strategy, together with the Ethical Walls protocol, all deal with this in such a way as to ensure that there can be no conflict of interest in such circumstances.
- 2.7. Given all of the above, there are already suitable controls in place to ensure that the use of consultants is appropriately controlled, and it is not considered that any further recommendations are required at this stage. Nevertheless, any comments from the Committee in relation to the Commissioning Strategy will be welcomed in order that it can be amended as necessary prior to being submitted to Cabinet for formal approval.

3. FINANCIAL IMPLICATIONS

- 3.1. The appointment of the Business Manager - Commissioning, within Publica, together with the development of the Commissioning Strategy, should ensure that there is greater control over expenditure on consultant and external advisors. This in turn may result in savings or cost avoidance for the Council along with its partners in Publica.
- 3.2. As part of the original 2020 Partnership business case some savings were envisaged through joint procurement processes.

4. LEGAL IMPLICATIONS

Any legal implications associated with the use of consultants are covered in the Council's financial regulations. Any potential conflict of interest between the Council and Publica is dealt with under the terms of the Ethical Walls Protocol.

5. RISK ASSESSMENT

- 5.1. Any risks associated with the use of consultants will be mitigated by following the processes set out in the Commissioning Framework and the Commissioning Strategy.

6. EQUALITIES IMPACT

- 6.1. None associated with this report.

7. CLIMATE CHANGE IMPLICATIONS

None associated with this report.

8. ALTERNATIVE OPTIONS

- 8.1.** The alternative to using consultants is for the Council to employ all of the necessary skills in house. However, as the need for skills purchased through consultants are generally of a 'one-off' nature, this would be financially unsustainable.

9. BACKGROUND PAPERS

- 9.1.** The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:

- Report No 11 – 'Use of Consultants' - Overview and Scrutiny Committee dated 4 December 2018 and associated minutes
- Report No 9 – 'Commissioning Framework' - Overview and Scrutiny Committee dated 5 December 2017

These documents are available on the Council's website.[rd](#)