

Consultancy and Agency Spend

To: Audit and Accounts Committee

Meeting Date: 1st December 2023

From: Executive Director Finance and Resources

Electoral division(s): All

Outcome: Committee is asked to consider the information contained in this report.

Recommendation: The Committee is asked to note the information in the report and the action being taken.

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1. Background

1.1 Information on the Council's use of consultants, agency workers and interims is presented to this Committee on a six monthly basis for review.

1.2 This report covers Quarters 1 and 2 of 2023/24.

2. Main Issues

2.1 Consultancy Spend

2.1.1 The table below summarises the consultancy spend by Directorate for each of Quarters 1 and 2.

Directorate	Quarter 1	Quarter 2
Adults, health and commissioning	£6,295	£38,009
Children, education and families	£500	£14,130
Finance and Resources	£142,370	£86,008
Place and Sustainability	£385,105	£256,155
Strategy and Partnerships	£17,100	£43,505
Total	£551,370	£437,807

2.1.2 The sum for quarters 1 and 2 of 2022/23 was £1,274,965. The sum for the same 2 quarters in 2023/24 was £989,177 – a 22% reduction.

2.1.3 Expenditure with Milestone, through their procured contract, amounted to 45% of the Place and Sustainability spend in Quarter 1 and 10% in Quarter 2.

2.1.4 The consultancy approval process was available during the whole of the period represented by this report. The approved amounts are provided in the table below.

Directorate	Quarter 1	Quarter 2
People Services	£60,000	£0
Finance and Resources	£55,000	£375,000
Place and Sustainability	£118,900	£180,000
Strategy and Partnerships	£300,000	£110,000
Greater Cambridge Partnership ¹	£0	£1,000,000
Total	£533,900	£1,665,000

Please note, as previously discussed, the approval form is submitted to the relevant Chief Officer and Senior Finance Business Partner prior to any procurement activity and therefore it is not possible to directly compare approval amounts to spend. It is, however, clear, that the approval form is being used across the Council and to a significant degree.

2.1.5 It is possible, though, to provide some worked examples for how the approval form is working:

- Highways asset management: an approval form was completed prior to a compliant procurement ending in September 2023. The contract was

¹ This is not CCC budget but hosted by us.

successfully awarded and will start on 1st November 2023.

- Policy, design and delivery: the service area gained approval to procure various Net Zero related consultancy contracts. The tender was published in March 2023 under 4 Lots. 3 Lots were awarded in July 2023 and work commenced in October 2023.
- Internal audit and risk management: the service area gained approval to procure consultants for a co-sourcing contract, the tender was published in September 2023 and work is due to commence this month.

2.1.6 In order to further improve compliance, all consultancy requisitions valued over £5,000 now come to the Procurement and Commercial Team for approval. One of the pre-requisites of that approval is that there is a fully approved consultancy form in place.

2.2 Agency Spend

2.2.1 In quarter 1, the Council spent £4.64m on agency workers, this represented 11.2% of total workforce spending in that quarter and was an increase of £2.15m when compared to spend in the same quarter of 2022/23.

2.2.2 In quarter 2, the Council spent £4.8m on agency workers, this represented 11.6% of total workforce spending in that quarter and was an increase of £1.21m when compared to spend in the same quarter of 2022/23.

2.2.3 Spend through Opus in quarter 1 was £4.48m or 96.5% of all agency spend. In quarter 2 Opus spend was £4.56m or 95% of total agency spending.

2.2.4 The table below sets out spend by Directorate on agency staff.

Directorate	Quarter 1	Quarter 2
Public Health	£13,476.32	£50,229.92
Finance and Resources	£419,186.10	£507,995.96
Strategy and Partnerships	£37,241.65	£1,471.38
Children, Education and Families	£2,323,151.02	£2,102,700.29
Adults, Health and Commissioning	£881,835.37	£1,145,955.18
Place and Sustainability	£676,215.34	£662,388.92
GCP	£133,002.91	£124,373.07

2.2.5 During both quarters, 3 interims were employed via Opus costing a total of £135,391.

2.2.6 Spending on agency workers and interims in Children's, Education and Families remains high. The time period covered by this report coincides with the separation of services from Peterborough City Council, during that process there was a need for additional leadership capacity in Children's Services. To address this, vacant posts were (and in some cases still are) filled with interims on a temporary basis while permanent recruitment takes place.

2.2.7 Social care roles, particularly in the Children's Social Care team have a consistent reliance on agency staff. The Children's Workforce Programme Board has a specific workstream looking at how to improve recruitment in this area. This workstream aims

to reduce reliance on agency workers by improving the Council's ability to directly employ individuals in social care roles.

3. Alignment with ambitions

- 3.1 Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes

There are no significant implications for this ambition.

- 3.2 Travel across the county is safer and more environmentally sustainable

There are no significant implications for this ambition.

- 3.3 Health inequalities are reduced

There are no significant implications for this ambition.

- 3.4 People enjoy healthy, safe, and independent lives through timely support that is most suited to their needs

There are no significant implications for this ambition.

- 3.5 Helping people out of poverty and income inequality

There are no significant implications for this ambition.

- 3.6 Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised

There are no significant implications for this ambition.

- 3.7 Children and young people have opportunities to thrive

There are no significant implications for this ambition.

4. Significant Implications

- 4.1 Resource Implications

The report above sets out details of significant implications in Section 2.

- 4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The report sets out the significant implications in Section 2.2.

- 4.3 Statutory, Legal and Risk Implications

There are no significant risks for this category.

- 4.4 Equality and Diversity Implications

There are no significant risks for this category.

4.5 Engagement and Communications Implications
There are no significant risks for this category.

4.6 Localism and Local Member Involvement
There are no significant risks for this category.

4.7 Public Health Implications
There are no significant risks for this category.

4.8 Climate Change and Environment Implications on Priority:

4.8.1 Implication 1: Energy efficient, low carbon buildings.
Neutral

4.8.2 Implication 2: Low carbon transport.
Neutral

4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.
Neutral

4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.
Neutral

4.8.5 Implication 5: Water use, availability and management:
Neutral

4.8.6 Implication 6: Air Pollution.
Neutral

4.8.7 Implication 7: Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change.
Neutral

Have the resource implications been cleared by Finance? Yes
Name of Financial Officer: Stephen Howarth

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement and Commercial? Yes
Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or Pathfinder Legal? Yes
Name of Legal Officer: Gurdeep Sembhi

Have the equality and diversity implications been cleared by your EqIA Super User?
Yes
Name of Officer: Faye McCarthy

Have any engagement and communication implications been cleared by Communications?

Yes

Kathryn Rogerson

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes or No

Name of Officer:

Have any Public Health implications been cleared by Public Health?

Yes

Name of Officer: Kate Parker

If a Key decision, have any Climate Change and Environment implications been cleared by the Climate Change Officer?

Yes

Name of Officer: Emily Bolton