
EXCERPT FROM THE MINUTES OF THE EXECUTIVE HELD ON 11 OCTOBER 2010

EX.162/10 USE OF CONSULTANTS
(Non Key Decision)

Portfolio Various

Subject Matter

Pursuant to Minute EX.142/10, the Leader reminded Members that the Executive had on 2 September 2010 given consideration to a reference from the Resources Overview and Scrutiny Panel (ROSP.47/10) concerning the final report of the Use of Consultants Task and Finish Group, and had resolved that the matter would be considered further at this meeting. In addition, the Governance and Resources Portfolio Holder would attend a Panel meeting to discuss the matter.

The Governance and Resources Portfolio Holder outlined the Executive's response commenting that they welcomed some elements of the report, particularly the recommendations within it that would help to ensure more accurate accounting for expenditure in relation to the use of consultants in future.

The Executive was, however, disappointed and surprised that the Task and Finish Group made no apparent attempt to assess the value for money that the authority got through the use of consultants. It appeared to start from the premise that any expenditure on consultants was intrinsically bad. Whilst the Executive accepted that expenditure must be minimised where possible, for specialist work required for a fixed period of time the engagement of consultants could be the most cost-effective way of securing the necessary expertise.

The Governance and Resources Portfolio Holder further outlined the responses to the specific recommendations contained in the report as follows:

1. That the recommendations made in the Internal Audit Report of 2005 be addressed.

Accepted in full.

2. only payments that fall into the "consultants" category should be coded to expenditure code 4017.

Accepted.

3. In order to restrict the employment of consultants, certification of payments to 4017 should be only approved by two of the following Officers - the Chief Executive, Deputy Chief Executive or Assistant Director (Resources).

Rejected. It was extraordinary that the Task and Finish Group felt that those decisions should not be made by a Chief Officer.

4. That correct use of expenditure codes, particularly consultants and third party payments be addressed as part of the routine budget training for Members and Officers.

Accepted.

5. Members of the Task Group expected that the newly appointed Strategic Senior Management Team undertake a large range of projects, particularly service and/or value for money reviews. Those types of reviews had previously been commissioned to consultants due to either lack of resources or impartiality issues. That should be monitored in twelve months time by the Resources Overview and Scrutiny Panel.

Accepted. That would presumably be a role for the Resources Overview and Scrutiny Panel in any case.

6. The Task Group had serious concerns that valid recommendations from Internal Audit Reports were not being implemented due to certain reports not being presented to any body of the Council. Therefore the Task Group recommended that on a twelve month basis, the Audit Committee assess the Audit Plan to ensure that all Internal Audit exercises were completed as appropriate and all resulting reports formally presented to the appropriate body. The Task Group also welcomed the establishment of the Project Assurance Group which was to be chaired by the Deputy Chief Executive.

Those observations would be passed to the Audit Committee.

7. That the Task Group would continue with the second part of the review and scrutinise the Use of Consultants by Carlisle Renaissance. The Group would welcome being advised of the consideration of Senior Management Team relating to Carlisle Renaissance.

The Executive assumed that was no longer relevant.

The Leader added that he keenly supported the correct use of expenditure codes in relation to spending on consultants.

Summary of options rejected None

DECISION

1. That the response of the Executive to the recommendations contained within the final report of the Use of Consultants Task and Finish Group, as outlined at points 1 - 7 above, be conveyed to the Resources Overview and Scrutiny Panel.
2. That the Task Group's concerns detailed at point 6 be conveyed to the Audit Committee.

Reasons for Decision

To respond to a reference from the Resources Overview and Scrutiny Panel