

Use of Consultants 2007/08

Finance and Resources Committee

11 November 2008

Purpose of report

- 1 At the Council meeting on 18 September 2008, Councillor Ewan Aitken asked for a list of all consultants employed by the Council in the last financial year, including:
 - which Department contracted each company;
 - the value and length of contracts;
 - the overall task being delivered by consultants; and
 - whether there was any commitment to renew or repeat the contract.
- 2 Given the detailed nature of the request it was not possible to respond to Councillor Ewan Aitken's question within the normal timescale. It was therefore agreed to report the requested information to the next meeting of the Finance and Resources Committee. This report discharges that remit.

Main report

Consultancy Spend and Recent Trends

- 3 The issue of consultancy spend has been raised at Council on a number of occasions. In response to a question asked by Councillor Hinds at the Council meeting on 29 May 2008, the revenue expenditure on consultancy across the Council from 1 May 2007 to 21 May 2008 was identified as £7,662,858.
- 4 Consultancy expenditure coded to the financial ledger shows that Council-wide expenditure since 2006/07 has decreased, as shown below:

2004/05	2005/06	2006/07	2007/08
£6.5m	£6.7m	£8.2m	£7.2m

On a like for like basis this table shows a reduction in consultancy spend of £1m from 2006/7 to 2007/8. There is however an understanding that the above figures include a wide range of activities (e.g. service provision, externally funded projects etc) and there is a need to identify and agree appropriate classifications and definitions to ensure that the Council accurately records its consultancy spend. This important issue is addressed elsewhere in the report.

Assessing Consultancy Expenditure Figures

- 5 Initial work to re-assess the consultancy spend in greater detail has identified that a number of definitions could be used to define appropriate coding to the consultancy ledger code. These include reporting:-
- (i) all the expenditure coded under the consultancy code, noting that there is a wide variation in types of expenditure currently coded in this way. These figures are used in response to Freedom of Information inquiries;
 - (ii) all bought-in staff costs. These costs represent additional resources to supplement and enhance service provision; and
 - (iii) bought-in specialist expertise that would not otherwise be available to the Council.

Assessment and Verification of Departmental Expenditure for 2007/08

- 6 Due to the considerable work required to compile the requested information, this report focuses on the definition of consultancy described at 5(iii), bought-in specialist expertise that would not otherwise be available to the Council. Departmental expenditure in this category has therefore been examined more closely.
- 7 For clarity the following areas were excluded from this more detailed work:-
- those projects that were fully funded by other providers such as SEEL and the Scottish Government; and
 - costs associated with service provision costs, such as printing, use of agency staff and some IT related expenditure. However, without an agreed definition of this category, a rigorous like-for-like comparison across all Departments was not achieved.
- 8 It should be noted that to interrogate the costs associated with service provision, as described at 5(ii), is a complex and extremely labour intensive process. The data is of variable quality, with departments adopting different criteria for coding this type of expenditure. In the future it is important that a consistent methodology is adopted across the Council and this will be a key activity of the further reporting, described at paragraph 13.
- 9 As noted above, this report focuses on consultancy costs associated with bought-in, specialist expertise. It will be appreciated from the volume of information contained in the appendices that in the time available, complete verification of all details has not been possible. This work has again highlighted that if uniform recording is to be achieved, then a more detailed examination is required regarding the appropriate classification of consultancy costs. The overall state of commissions and the reasons for them are however, clear.

Overview of Departmental Figures on Use of Consultants

- 10 Using, as far as possible, the definition that this expenditure represents bought-in specialist expertise that would not otherwise be available to the Council, expenditure on consultants in the year 2007/08 was £2,158,848.
- 11 The expenditure per department for consultants in 2007/8 was:

Department	Consultancy Spend 2007/8
Children and Families	£207,135
City Development	£1,041,139
Corporate Services	£ 392,570
Finance	£134,380
Health and Social Care	£5,411
Services for Communities	£378,213

- 12 The breakdown of this information is detailed in Appendices 1 to 6. This information includes the consultant name, the net amount paid for work, length of the contract, tasks delivered and whether there is a recurring commitment for further work.

Further Reporting

- 13 On the basis of a carefully considered definition of the types of expenditure that should be allocated to consultancy and the provision of appropriate advice to departments, consultancy expenditure will be reported to Committee on an annual basis. It is therefore important that appropriate definitions are discussed and agreed as a matter of urgency. This work will ensure that the first annual report will provide a robust baseline figure against which subsequent years can be measured with confidence.

Financial Implications

- 14 The Committee will wish to note the decreasing trend in expenditure on consultancy services and the need to establish robust annual reporting.

Environmental Impact

- 15 There are no environmental issues arising from this report.

Recommendations

16 The Committee is asked to:-

- a) note the expenditure for consultancy in the last financial year and the intention to report consultancy expenditure on an annual basis; and
- b) agree that this report addresses the issues in Councillor Ewan Aitken's original question to Council.


Jim Inch
Director of Corporate Services
07/11/07

Appendices	<ol style="list-style-type: none">1. Expenditure on Consultancy 2007/08 Children and Families2. Expenditure on Consultancy 2007/08 City Development3. Expenditure on Consultancy 2007/08 Corporate Services4. Expenditure on Consultancy 2007/08 Finance5. Expenditure on Consultancy 2007/08 Health and Social Care6. Expenditure on Consultancy 2007/08 Services for Communities
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Wards affected	All
Single Outcome Agreement	
Background Papers	None

Vendor Name	Net Amount	Length of Contract	Tasks delivered	Recurring Commitment Y/N
Angus Whyte	32,815.80	On going	CLAN	Y
Bernard Williams Associates	34,797.00	One off	PPP2 Project	N
Create Consultancy	3,000.00	6 month	Drug education audit in Schools	N
Edinburgh Chamber of Commerce	3,000.00	one off	Delivery of More Choices More Chances Strategy to create a teaching tool for guidance teacher & YP employers perspective	N
Enable Scotland	25,000.00	one off	Supporting work experience work placement for YP in Special Schools	N
Family Mediation Lothian	1,914.24	1 year	Secondment from Voluntary Sector 0.2 FTE (6K p.a.)	Y
JC Rathbone Holdings Limited	1,795.00	One off	PPP2 Project	N
John Stodter	525.00	One off	budget analysis	N
Leaders At Work	825.00	One off	Consultancy CYPSP workshop	N
Marsh Ltd	7,168.20	One off	PPP2 Project	N
Partners in Evaluation Scotland Ltd	8,533.56	one off	Emotial Literacy evaluation of toolkit	N
Pricewaterhousecoopers LLP	74,211.30	One off	PPP2 Project	N
Solace Enterprises Ltd	9,050.00	One off	Michael O'Neil Organisation Review	N
South Edinburgh Partnership Ltd	4,200.00	One off	Risk Assessment for the JET work placement	N
The A9 Partnership Limited	300.00	One off	Fee to prepare accounts and report	N
Grand Total	207,135.10			

Vendor Name	Net Amount	Length of Contract	Tasks delivered	Recurring Commitment Y/N
BDG McColl Ltd	49,164.24	3 Year Term contract	Space planning for ROA (Rationalisation of Office Accommodation)	N
Byways and Highways Ltd	62,642.50	12/03/06-1/03/08	CEC Signals support for Tram works	N
C2WTA	28,358.48	single commission	North West Portobello Masterplan	N
CDI Anderselite Ltd	21,861.40	2005 - 2008	Assisting delivery of bustracker	N
Colvin and Moggridge Ltd	15,399.38	single commission	Edinburgh Skyline Study	N
David Adamson and Partners Ltd	300.00	Single Commission	Insurance: 61 The Shore	N
DTZ Debenham Tie Leung	17,595.54	Multiple commissions	International Business gateway Study	N
Edinburgh City Centre Management	35,000.00		Management services for various City Centre initiatives	N
Forrester Rugby Club	5,000.00	Not known	Sundry work in connection with PPP2 (incl. architects' fees)	Unknown
Gardiner and Theobald LLP	3,885.00	Single Commission	General work in connection with PPP2	N
Gleeds Management Services Ltd	2,650.00	single commission	Edinburgh Promenade - QS study	N
GVA Grimley LLP	6,750.00	One off	Rating appeals for Waverley Court	N
Halcrow Group Ltd	211,265.29	Originally 3 years, extended by 1 year	Consultancy Framework Service	N
Jacobs UK Ltd	8,225.94	Originally 3 years, extended for 1 year	Consultancy Framework Service	N
Jmarchitects Limited	2,053.10	single commission	Tram Public Realm	N
John R Harris and Partners Ltd	777.70	Single Commission	Architectural service in connection with 46 Bavelaw Road	N
King Sturge	3,676.00	single commission	North West Portobello Masterplan	N
L Harrison Consultancy Services Ltd	4,710.80	Apr-08	Framework procurement, tie Business Plan & Tram Line 3	Y
Land Use Consultants Ltd	20,797.00	single commission	Landscape Character and Designations Review	N
LDN Architects LLP	5,310.00	Single Commission	Commissioned by Property Care: details unknown.	N
MacAulay Research Consultancy	1,500.00	single commission	Open Space Study	N
Midlothian Council	4,538.00	ongoing	Provision of Cross Boundary bus service & Green Belt study	Y
New Thinking Ltd	12,000.00	One off commission	Commissioned by Property Care: Project + BPR Management on	N
Nice Work Ltd	1,733.60	One off commission	Development Consultant Access 2003 Data Base: commissioned by Janis dunn	N
Peter McGowan Associates	5,000.00	single commission	Designed and Historic Landscape Survey	N
Ryden	4,900.00	single commission	Small Business Study Update	N
Sandy Brown Associates LLP	750.00	Single commission	Acoustic Study - Waverley Court	N
Scotphone ICS	280.00	Annual	Annual maintenance of telephone system: Canongate Venture PPP2	Y
Scott Wilson Scotland Ltd	6,850.87	single commission	Edinburgh Promenade - Landscape work	N
Scottish Borders Council	1,875.00	single commission	Project Management Consultancy	N
Securecycle Scotland Ltd	26.00	Single commission	Uplift of confidential waste	N
Smith Scott Mullan & Associates	24,900.00	single commission	Edinburgh Standards for Housing	N
Stagecoach Services Ltd	52,892.00	single commission	Contribution to Forth hovercraft trials	N
Steer Davies & Gleave Ltd	193,076.99	single commission	Consultancy for ATGA Project	N
Stevenson College Edinburgh	11,250.00		Working for Families Benefits Advice	N
Thomas & Adamson	63,023.57	Multiple commissions under term contracts	Project management for PPP2 and City Chambers contracts.	N
Tourism Resources Company Ltd	11,550.00	single commission	Hotel Feasibility Study	N
Turner and Townsend Management Solutions Ltd	98,927.70	Single commission	Departmental Service Reviews & Haymarket Interchange Project Management	N
Urban Initiatives Ltd	19,722.52	single commission	West Edinburgh Strategic Design Framework	N
Urban Synergies Ltd	20,920.00	on-going commission	Planning and Urban Design Input to Tram Project	N
Grand Total	1,041,138.62			

Vendor Name	Net Amount	Length of Contract	Tasks delivered	Recurring Commitment Y/N
Alan Jones and Associates Ltd	87.50			
An Darach Ltd Total	7,250.00	One-off	Gaelic Promotion	N
Brian Farrell Total	4,720.00	15 days	Consultancy in relation to Glasgow Edinburgh Collaboration and Edinburgh Business Assembly	N
Diane Peebles and Associates Total	2,281.50	5 days	Facilitation and coaching	N
Disabled Go	6,800.00	one-off	Maintenance of DisabledGo website	N
DL Consulting and Support Services Total	55,800.00	on-going	Professional specialist consultancy - Modernising Pay Project	Y
Dundas & Wilson CS LLP Total	4,604.75	reviewed quarterly	Ad hoc specialist advice	Y
Experian Ltd Total	7,800.00	One-off	Unesco City of Music bid	
Fifty Nine Productions Limited Total	1,445.00	one-off	Glasgow Edinburgh Collaboration	N
Forensic Accounting Services Total	51,458.75	120 days per year	Financial and technical consultancy with particular reference to commercial operations (eg STOs)	Y
Gartner UK Ltd	44,700.00	1 year	Membership of Garnet EXP Research Service	Y
Gerry Graham Consultancy	18,682.90	one-off	Consultancy for Home Care Service Modernisation	N
Glenafon Total	11,779.87	one-off	Self employed contractor for web team	N
Hay Group Management Ltd	4,350.00	Annual	Annual membership - Access to Salary Market Survey data - Modernising Pay Project	Y
InfoSec Associates Total	3,000.00	one-off	Business Continuity Consultancy	N
Ingleborough Management Consulting Ltd Total	4,921.05	one-off	Specialist independent advice on telecoms procurement	N
Innovation Digital Total	5,400.00	one-off	Independent review of current website	N
Investors In People Scotland	8,280.00	on-going	IIP re-accreditation	
Jacobs Consultancy Uk Ltd	17,275.01	one-off	Taxi Survey of Demand - required by statute where a local authority maintains a limit on taxi numbers as in Edinburgh.	
Link HR	6,576.80	number of small contracts	Specialist consultation - Modernising Pay Project	
Market & Opinion Research	26,623.00	One year	Two residents surveys	
Maximillion Events Ltd	250.00	one half day		
Mercato Solutions Limited	2,400.00	one-off	Software	
Myfanwy Moran Total	5,264.85	12 days	Talent Management	N
Nice Work Ltd	4,000.50	number of small contracts	Specialist IT consultancy - Modernising Pay Project	Y
Northgate HR Ltd Total	5,975.80	number of small contracts	Specialist consultation - Modernising Pay Project	Y
Orion Partners LLP Total	46,469.50	one-off	Specialist support to creation of HR service centre	N
Question Mark Communications Ltd	810.00	one-off	Self employed contractor for web	
SOW Ltd Total	23,654.00	one-off	Glasgow Edinburgh Collaboration	N
Stevenson College Edinburgh	3,988.00	one-off	Leadership's Programme	
TC Events Consultancy	5,921.12	12 days	planning support for Edinburgh Award	
Grand Total	392,569.90			

Vendor Name	Net Amount	Length of Contract	Tasks delivered	Recurring Commitment Y/N
Chrystal Consulting Ltd	7,500.00	3 Years	Leasing Advice	Y
CIPFA	24,080.66	22 days	Review of Children and Families Business Support Team	N
Icap Securities Ltd	19,500.00	3 Years	Treasury Advice (cost per annum)	Y
Institute of Public Finance Ltd	7,508.25	1 Month	Financial Modelling	N
KPMG LLP	7,048.90		Budget Grip Exercise	
PDG Consulting Ltd	38,742.39	Ad hoc	Various work on the Oracle Business Systems (£20 K credit notes received in 2008/09)	Y
Pricewaterhousecoopers LLP Total	30,000.00	9 months	EICC Business Case (Additional Function Space)	N
Grand Total	134,380.20			

Vendor Name	Not Amount	Length of Contract	Tasks delivered	Recurring Commitment Y/N
AMR Consultancy Services Total	500.60	n/a	Quality assurance consultancy for SWIA	N
Assist Knowledge Development Ltd	4,910.51	n/a	Support for SWIFT system	N
Grand Total	5,411.11			

Vendor Name	Net Amount	Length of Contract	Tasks delivered	Recurring Commitment Y/N
Communities Scotland	8,475.00	One off piece of	Contribution towards BME housing needs study	N
DTZ Debenham Tie Leung	7,425.00	One off piece of	Affordable housing viability study	N
Geddes Consulting Ltd	24,582.60	One off piece of	Site analysis to help inform strategic housing investment	N
Glasgow Caledonian University	8,513.70	None	Various, e.g. report on options to develop recycling services by REMADE.	N
Housing Quality Network HQN	1,780.00	Annual	Membership of the Housing Quality network	Y
Jolene Campbell PR	11,100.00		Undertook Media duties associated with up front magazine	
MME Associates Ltd	7,308.51	One off piece of	Access point training	N
MRT Associates Ltd	500.00	One off piece of	Training for owners association project	N
Munro Consulting Ltd	15,975.00	n/a	Recruitment of Waste and Neighbourhood Managers	N
New Thinking Ltd Total	214,251.61	n/a	Developing and managing the project management office in EBS, provide procurement and audit support, provide BPR services and interim support to the CAT Team.	N
Nice Work Ltd	14,174.45	Specific pieces of work	Database development and maintenance	N
Percy McAdam Partnership	1,650.00	Ad hoc	Survey work for Edinburgh Stair Partnership	N
Safety Co UK Total	22,686.68	Specific pieces of work	H & S Performance within service.	N
Space Solutions Scotland Ltd	9,745.55	Specific pieces of work	Produced a report on space usage and desk layout for Murrayburn	N
Studioarc Design Consultants Ltd	11,350.00	One off piece of work	Design of interpretation, directional and orientation signs for Calton Hill and Hillside	N
The Leith Agency	12,963.52	One off piece of work	Research into customer perceptions of Waterfront Development	N
Urban Design Futures Ltd	5,731.25	One off piece of work	Ferry Road - initial design and public consultation	N
Grand Total	378,212.87			