

HUNTINGDONSHIRE DISTRICT COUNCIL

Subject Matter:	Use of Consultants, Hired Staff and Temporary Staff
Meeting:	Employment Committee
Executive Portfolio:	Executive Councillor for Finance and Resources
Report by:	Director of Finance and Corporate Resources
Ward(s) affected:	All

Executive Summary:

Members requested this annual report in order to monitor the Council's use of interim staff (consultants and temporary staff).

Capital

During 2023/24, consultants have continued to be employed to provide technical and professional advice in respect of the Commercial Investment Strategy, Local Plans, future high street funding and development of market town prospectus for growth. There were also costs for temporary staff which have been employed on capital projects in the year.

Revenue

Overall, there was a net decrease of £315k in the cost of interim staff in 2023/24 when compared to 2022/23. There is a continued use of interim staff to cover staff vacancies across the Council where recruitment has proved difficult, and to provide expert advice and interim capacity whilst the Council follows the current transformation programme, development of the Local Plans and other business efficiency improvements.

All costs relating to interim staff have been met from within current resources (central government grants, existing budgets or use of earmarked reserves) and the use of such staff has given the Council the flexibility and short-term capacity to undertake its transformation programme.

Recommendation:

Members are asked to consider the report and comment as they consider necessary.

1. PURPOSE OF THE REPORT

- 1.1 To advise of the use of consultants and temporary staff during the 2023/24 financial year.

2. BACKGROUND

- 2.1 In July 2014 the Employment Panel approved guidance notes for managers regarding the use of consultants and temporary staff.
- 2.2 The use of interim staff is an essential requirement in the day-to-day management of the Council's business. However, their use is limited to a range of specific purposes i.e., to meet a specialist skills gap where a full-time resource would not award the Council value for money, to cover for unplanned gaps in staffing or to meet short-term peaks in workload.
- 2.3 Increasingly, the Council is benefitting from successful bids which attract external funding to deliver projects that meet our corporate objectives. Use of interim staff to deliver these projects is therefore fully funded and does not represent an additional burden on the MTFS.
- 2.4 The Council's accepted definitions for consultants and temporary staff is shown below:

Consultants

Individuals contracted to the Council as a sole trader or employees of a contractor to provide specialist and/or professional skills and knowledge the Council lacks. This is often to deliver a specific task or project where it would be non-economic for the Council to retain these skills on a full-time basis. The contract terminates after a defined period of event (e.g., delivery of a report of advice).

Temporary Staff

Individuals contracted to the Council as employees of an agency or contractor to provide additional capacity. They may be providing short term cover for staff absences (e.g., refuse operatives) or medium-term cover (e.g., cover for vacant posts while permanent recruitment completes).

3. EXPENDITURE ANALYSIS

- 3.1 The analysis shown below is split between capital and revenue. The reason for this distinction is that interim staff employed for capital development projects are incidental to the project and can be financed from capital resources i.e., the sale of assets.

3.2 Capital

During 2023/24, there was a net decrease of £133k in the cost of interim staff compared to 2022/23, a summary is shown below, and the detailed analysis is shown in **Appendix 1**.

Capital Comparison of consultants and temporary staff 2023/24 and 2022/23			
	Consultants	Temporary	TOTAL
	£000	£000	£000
2023/24	742	107	849
2022/23	827	155	982
Decrease	(85)	(48)	(133)

This decrease relates mainly to decreased reliance on consultants within the Market Town/Future High Street programme.

3.3 Revenue

During 2022/23, there was a net decrease of £315k in the cost of interim staff compared to 2022/23, a summary is shown below, and the detailed analysis is shown in **Appendix 2**.

Revenue Comparison of consultants and temporary staff 2023/24 and 2022/23			
	Consultants	Temporary	TOTAL
	£000	£000	£000
2023/24	1,168	1,360	2,528
2022/23	1,056	1,787	2,843
Increase/(Decrease)	112	(427)	(315)

This decrease can, in the main, be attributed to reduced reliance on agency staff to support the planning application processes and the recruitment of permanent staff for the Market Towns & Future High Streets.

4. KEY IMPACTS

4.1 The use of interim staff assists the Council in meeting services needs and objectives. If such resources are not used from time-to-time, then it is very likely that service delivery and priorities would be impacted, and the process of transformation would take considerably longer.

5. LEGAL IMPLICATIONS

5.1 There are no direct legal implications arising from this report.

6. RESOURCE IMPLICATIONS

- 6.1** New regulations came into force on 6 April 2017 changing the responsibility for assessing the tax status of consultants, interims, and temporary staff. If directly engaged (not through an agency), the Council must determine whether the individual is acting as if a member of staff and if appropriate, collect national insurance (NI) contributions and tax. The determination, based on HMRC guidance, considers a number of factors including duration, if a post holder, ability to substitute, etc. Failure to collect the correct tax and NI risks incurring fines, interest charges and back tax. The Management Team have been briefed and provided with links to the HMRC guidance and the HMRC online assessment tool. The Heads of Service have been tasked with identifying any consultants, interims and temporary staff that fall within the scope of the regulations and carrying out the appropriate assessment.

7. LIST OF APPENDICES INCLUDED

- Appendix 1 - consultants and temporary staff – capital expenditure
- Appendix 2 - consultants and temporary staff – revenue expenditure

BACKGROUND PAPERS

None.

CONTACT OFFICER

Karen Sutton
Director of Finance and Corporate Resources

CAPITAL EXPENDITURE

Comments on expenditure in excess of £10,000 are provided.

CONSULTANTS CAPITAL EXPENDITURE			
Head of Service	2022/23 £000	2023/24 £000	
Chief Operating Officer	15		Replacement Environmental Health software
Corporate Resources	33	20 3	Fees relating to: Bridge Place car park Fareham works
Housing Strategy	706	380 127 79	Fees relating to Market towns & future high streets* Transport project* Old Falcon
ICT Shared Services	9	36	Fees relating to: Hardware replacement
Leisure & Health	3		
Operations	7		
Strategic Insight & Delivery	54	45 45 7	Fees relating to: Hinchingsbrooke Country Park St Neots Riverside changing places* St Neots Riverside path & cycle ways *
TOTAL	827	742	

TEMPORARY STAFF CAPITAL EXPENDITURE			
Head of Service	2022/23 £000	2023/24 £000	
ICT Shared Services	73		
Housing Strategy	81	107	Fees relating to the Old Falcon
Corporate Resources	1		
TOTAL	155	107	

* externally funded

REVENUE EXPENDITURE

Comments on expenditure in excess of £10,000 are provided.

CONSULTANTS REVENUE EXPENDITURE				
Head of Service	2021/22 £000	2022/23 £000	Expenditure for 2022/23 includes	Justification for Spend
Chief Operating Officer	37	28 17 5	Support for: Licensing Benefits Management Customer Services	Specialist advice not available within establishment
Chief Planning Officer	215	121 57 9	Support for: Planning applications** Local plan** Other**	Specialist advice not available within establishment
Corporate Leadership	138	28	Support for: Place Strategy**	Specialist advice not available within establishment
Corporate Resources	327	266 89 73 66 6 14	Support for: Decarbonisation design* VAT reclaims** Treasury, valuations and pension fund administration** Commercial Estates** HR initiatives** Other areas	Specialist knowledge not available within the Council and/or that is required for financial stewardship and audit
ICT Shared Services	142	114	Support for ICT applications**	Specialist knowledge not available within the establishment

Leisure & Health	31	21 9 8	Support for: One Leisure operating model** Sales support programme Other areas	Specialist knowledge not available within the establishment
Operations	41	27 8 4 3 5	Support for: Garden waste project** Management training** Waste transfer station feasibility** ISO9001 management system** Other areas	Specialist knowledge not available within the establishment
Strategic Insight & Delivery	125	107 49 24 10	Support for: Biodiversity initiatives* Civil parking enforcement implementation project* Climate change strategy** Other areas	Specialist advice not within establishment.
TOTAL	1,056	1,168		

* externally funded or funded from earmarked reserves/increased income

** budgeted in MTFS

TEMPORARY STAFF REVENUE EXPENDITURE				
Head of Service	2021/22 £000	2022/23 £000	Expenditure for 2021/22 includes	Justification for Spend
Chief Operating Officer	192	87 15	Agency staff for: Benefits Administration* Commercial team	A combination of cover to maintain service delivery and to cover additional workload re grant payments
Chief Planning Officer	243	70	Agency staff for: Development Management*	Cover to maintain service delivery
Corporate Resources	96	23 9	Agency staff for: Maternity cover* Commercial Estates*	A combination of cover to maintain service delivery and to support the income generating portfolio of property
Corporate Leadership	0	12	Agency staff for: MD team & Communications	
Housing Strategy	125	0		
ICT Shared Services	141	0		
Operations	990	842 231 22 10	Agency staff for: Waste Management* Street Cleansing* Vehicle maintenance* Other services	Requirement to back fill vacancies, sickness and holidays with agency staff to maintain service delivery
Strategic Insight & Delivery	0	39	Temporary PMO resource*	Specialist advice not within establishment.
TOTAL	1,787	1,360		

* externally funded or funded from earmarked reserves/increased income/staff savings

** budgeted in MTFS