

AUDIT COMMITTEE

Date of Meeting	Wednesday 11 th July 2018
Report Subject	Supplementary Financial Information to Draft Statement of Accounts 2017/18
Report Author	Corporate Finance Manager

EXECUTIVE SUMMARY

Flintshire County Council approved the following notice of motion on 29th January 2013:

In the interests of openness and transparency, this Motion calls for the Council to publish a separate supplementary report to coincide with and accompany the presentation to Council of the Annual Statement of Accounts.

This supplementary report to contain, in the same style and presentation as the existing 'Senior Employee Emoluments – Salary over £150,000' and 'Salary over £60,000 per year', the same financial information for ALL council employees, consultants and 'non-permanent posts' with a salary over £60,000 per year who are NOT listed within the existing framework of the Annual Statement of Accounts. In instances where those employees are in post for less than the financial year, then both their actual salary and equivalent annualised salary are to be shown.

This report contains the information requested above in respect of financial year 2016/17.

RECOMMENDATIONS

1	Members note the report
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REPORT DETAILS

1.00	EXPLAINING THE APPENDICIES
1.01	<p>The information requested is shown in Appendix 1 to this report. For clarity the information has been split into 3 categories described in paragraphs below:</p> <ul style="list-style-type: none"> • Table 1 – Council Employees • Table 2 – Posts covered by interim or temporary arrangements • Table 3 – Payments to Consultants and Non-Permanent Posts
1.02	<p>Table 1 contains costs (including termination benefits where applicable) for council employees only. For the purpose of this report council employees have been defined as permanent members of staff paid via Flintshire County Council's payroll system.</p> <p>As the notice of motion requests, the detail of any council employee already included in the 'Senior Employee Emoluments' note in the Draft Statement of Accounts 2017/18 has not been included.</p>
1.03	<p>Table 2 shows the number of interim or temporary arrangements in place to cover posts during 2017/18. Where such arrangements are in place, the Council has procured the services of individuals to fulfil the requirements of the post through a contract with another organisation. The Council paid the organisation, and that organisation employed and paid a salary to the individual. Table 2 shows the amounts paid to those organisations for such arrangements in 2017/18. Please note these amounts DO NOT reflect the individuals' salaries.</p>
1.04	<p>Table 3 contains payments made for consultants and non-permanent posts. It is important that Members note that actual costs incurred by the Council in 2017/18 are in bold in the third column in table 3.</p> <p>The fourth column, theoretical annual costs, has been supplied to provide an equivalent annualised salary as requested by the notice of motion. Figures have been calculated by taking the daily (or hourly costs in some cases) and grossing up assuming a 37 hour standard week and that 48 weeks per year are worked. As is clear from the difference between both columns the majority were in post for significantly less than a year.</p>
1.05	<p>The Council has adopted the following definition to describe a 'consultant'.</p> <p>Corporate Resources Overview and Scrutiny Report extract – March 2016</p> <p><i>A consultant is an organisation or an individual contracted to provide specific services to the Council for a limited period of time. These are services where the Council does not have the expertise 'in-house' to be self-sufficient or where the Council has some expertise but insufficient capacity. It is not possible for the Council to be wholly self-sufficient and it would be a poor use of resources to employ specialist individuals to maintain an internal expertise which is only required occasionally or indeed once.</i></p>

	<p>Consultants are classified into 2 groups:</p> <ul style="list-style-type: none"> • <i>Retained consultant: with a contract in place for the periodic provision of advice; and</i> • <i>Project consultant: to work on defined and time limited projects on 'strategy, structure or management.'</i>
1.06	<p>The notice of motion specifically requests information on salaries of consultants and non-permanent posts.</p> <p>Figures have been taken from the general ledger on codes used for consultancy that are categorised on the basis of the 'Retained Consultant' and 'Project Consultant' definitions and agency workers. These will be on an accruals rather than a cash basis, therefore relating to costs of services provided during the year, rather than amounts physically paid during the year.</p>
1.07	<p>Flintshire County Council leads on a number of collaborative projects with partner Local Authorities, examples include; the North Wales Regional Waste Treatment Project, and Regional Emergency Planning service. Members are advised that the information supplied in appendix 1 does not include the costs of any individual working for joint arrangements, given that the expenditure has been incurred by the partnership and not Flintshire County Council. Joint arrangements that are set up as Joint committees publish their own separate accounts.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None required.

4.00	RISK MANAGEMENT
4.01	The report is a retrospective report and therefore subject to minimal risk.

5.00	APPENDICES
5.01	Appendix 1 – Supplementary financial information to draft Statement of Accounts 2017/18

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Contact Officer: Paul Vaughan – Technical Finance Manager Telephone: 01352 702219 E-mail: Paul.Vaughan@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Definitions required as contained within the report.