

Publication of the local authority's spending of over £500.00

Report by Director Resources

1 Purpose of Report

This report is presented to update the Council on the request for publication online of the local authority's spending of over £500.00.

2 Background

2.1 Council Motion

At its meeting on 18 December, 2018 the Council considered and agreed the following motion.

Midlothian Council recognises the importance of transparency and accountability. The Council applauds Local Government in England which has allowed scrutiny of local authority spending by publishing all spending of over £500 online, detailing both the supplier used and the reason for the spending. Council agrees that Midlothian should investigate adopting this approach whereby all payments to suppliers over £500 are published online. This will allow more effective public scrutiny of spending and help avoid waste.

Council resolves to:

- 1. Investigate the feasibility and cost implication of adopting a similar approach whereby all spending over £500 will be published online, to include both the supplier used and the reason for the spend; thus providing transparency in relation to spending and public scrutiny thereof;*
- 2. Instructs the Director, Resources to report to the meeting of the Council on 12 February 2019 detailing the feasibility and cost implications of publishing, as far as permitted by law, spending of over £500 online and;*
- 3. Further instructs the Director, Resources to investigate and report back to a meeting of the Council by the 2019 summer recess other ways to make Midlothian Council more transparent and accountable to the public with regard to spending.*

- 2.2** English local authorities are required to publish expenditure via The Local Government Transparency Code 2015. The Local Government (Transparency Requirements) (England) Regulations 2015 regulates the Code. Councils in England are publishing the data either on a monthly or quarterly basis. Information links are provided:

<https://www.gov.uk/government/publications/local-government-transparency-code-2015>

<http://www.legislation.gov.uk/uksi/2015/480/contents/made>

- 2.3** In publishing the local authority's available information of spending of over £500.00 the move will give local people the information they need to ask questions of how the council is managing the services they provide and their interest in how the Council manages the assets they hold.
- 2.4** This will help effective engagement and democratic accountability as Midlothian Council develops its Medium Term Financial Strategy as local people and service users engage in consultation about what services they would like provided and how they would like them delivered.

3 Actions since December Council

- 3.1** The Director, Resources and relevant officers have reviewed the prospects of implementing the Council decision, through existing systems to minimise cost implications, and report that while the aim is to be as transparent as possible, in some cases there is a need to respect information that could be seen as commercially sensitive.
- 3.2** Where necessary, and to protect confidentiality, the supplier identity may also be withheld. In the option for publishing transactions for values greater than £500 to external suppliers or spend incurred in providing services it is proposed that it will not include:
- payments made to staff
 - sensitive personal information, such as individual foster carer payments
 - any payments which may reveal details about an individual
 - internal charges between different parts of the Council
- 3.3** There is an existing extract and reporting tool that generates our Statutory Performance Indicator information for payment of invoices within 30 days. This can be used as the basis for publishing supplier spend information. It also includes Purchasing Card spend.
- 3.4** Publishing a list of payments for all payments through the Purchase Ledger is possible, however, at present would include things like payments to other public organisations e.g. Treasury Management runs to millions of pounds.
- 3.5** The Purchase Ledger payments also includes payments to individuals and there is no means of distinguishing between a supplier and an individual in Integra Systems. Personal identifier information could not be disclosed for GDPR Data Protection reasons.
- 3.6** Cost Centre Name and Expense head listings can be published although in its present format this would likely be relatively meaningless in the public domain.
- 3.7** In publishing the narrative attached to a payment, as the reason for the spend, personal information may be included in that e.g. agency invoices, corporate appointees. Personal identifier information could not be disclosed for GDPR Data Protection reasons.

4 Report Implications

4.1 Resource

In progressing actions towards increasing openness and transparency these are presently being utilised within existing resources. Any additional resource required will be notified to Council in a subsequent report.

4.2 Risk

In order to minimise risk relating to personal information we will apply Section 38 of the Freedom of Information (Scotland) Act 2002 (FOISA) exemptions in any publication.

As part of our commitment to increase openness and transparency we will review in published payments made to individuals or sole traders, so that we reduce risk and remove the supplier names to comply with GDPR, replacing with 'Redacted – Personal Data' from a software solution.

4.3 Policy

Strategy

The promotion of the concept of transparency and accountability is in accordance with the Council's aims.

Consultation

No consultation has taken place to date.

Equalities

No equalities issue or people impact

Sustainability

No sustainability issues

3 Recommendations

The Council is invited to:

- a) note the initial scoping work to date and that an implementation plan is to be provided by the Director, Resources to Council by 25 June, 2019 and;
- b) additional opportunities for transparent and accountable measures are to be reported to Council by 25 June, 2019.

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