

**Committee:** Scrutiny 2  
**Date:** 1 December 2004  
**Agenda Item No:** 4  
**Title:** ANNUAL INTERNAL AUDIT REPORT 2003/04  
**Author:** Simon Martin (01799) 510422

## Summary

- 1 The purpose of this report is to:
  - a) Highlight work completed by Internal Audit during 2003/04;
  - b) State the level of compliance with The Code of Practice for Internal Audit in Local Government (The Code of Practice) during 2003/04.
  - c) Provide an internal audit opinion for 2003/04.

## Background

- 2 Internal Audit is a statutory service forming part of the Council's corporate governance framework. The service is an assurance function that primarily provides an independent and objective opinion on the management of operational risk, control and governance.
- 3 Subject to compliance with The Code of Practice, Internal Audit can provide assurance across the whole range of Council functions. Internal Audit work consequently informs the Statement of Internal Control contained in the Council's Statement of Accounts. The requirement for this Statement comes from the Accounts and Audit Regulations 2003.

## Internal audit coverage during 2003/04

- 4 The following internal audits were carried out during 2003/04:

### Key Financial Systems

Cash  
Creditor Payments  
Payroll  
Housing Rents  
Business Rates  
Council Tax  
Miscellaneous Debts  
Housing Benefits

### Others Systems

Insurance  
Treasury Management  
Car Loans & Leasing  
Mortgages  
Printing & Stationery  
Civic Suite  
Sports Development  
Tourist Information Centre  
Member' Allowances  
Cemetery

Page

Public Health  
Housing Repairs DSO & Stores  
Septic Tank Emptying  
Tenant Services  
Homelessness  
Building Control Fees  
Planning Fees  
Conservation & Enhancement  
Right to Buy  
Golds Nurseries Business park  
Housing Response Maintenance

- 5 All of the 29 audits above resulted in a written report to management. In total 124 recommendations were agreed to improve the Council's control environment. This equates to 4.3 per audit. This number contrasts with 3.7 recommendations per audit for 2002/03 and 2.6 for 2001/02. It should be noted that these numbers may be influenced by the subject matter of the audits carried out in any year.
- 6 In addition to the above, approximately 55 days was spent on giving proactive audit related advice and assistance, and approximately 32 days on an internal investigation.

### **Compliance with the Code of Practice**

- 7 The Code of Practice sets out organisational and operational standards for internal audit in Local Government. A general position statement on the level compliance with each of these is set out below:
1. *Scope of internal audit* – the terms of reference, scope of work and responsibilities are set out in an approved Service Plan. An Audit Charter is being introduced during 2004.
  2. *Independence* – organisational status enables Internal Audit to function effectively. The Audit Manager has the structural status that complies with The Code of Practice and effective discussion of audit issues is facilitated. The independence of individual auditors is characterised by not having any operational responsibility.
  3. *Audit committees or equivalent* – there are specific mechanisms for reporting to Members. The Council has considered these and in future Members will receive more detailed feedback on internal audits through the scrutiny function and their Intranet.
  4. *Relationship with management, other auditors and other review bodies* – the Council seeks to co-ordinate Internal Audit work with that of other review agencies. External audit relies on the work of Internal Audit for assurance purposes.
  5. *Staff training and development* – Internal Audit is appropriately staffed in terms of numbers, qualification levels and experience, having regard to its

objectives and to The Code. Staff grades were appropriate during 2003/04.

6. *Audit strategy* – a strategy is maintained for delivering the Internal Audit service as per the terms of reference.
7. *Management of audit assignments* – assignments are prepared, discussed and agreed with line managers. A risk based systematic approach is undertaken. Assignments are recorded and there are standards for documentation and working papers.
8. *Due professional care* – is appropriate to the objectives, complexity, nature and materiality of the audit being carried out. Care is ultimately achieved by adherence to The Code and quality assurance.
9. *Reporting* – audit assignments and their results are reported to those charged with governance. The performance of the Internal Audit function is reported to the Stevenage & Uttlesford Audit Partnership Board. Performance during 2003/04 was satisfactory.
10. *Quality assurance* – the work of Internal Audit is controlled at each level of operation. The management of Internal Audit is effectively controlled through a service plan, audit manual, staff appraisals, performance measures and indicators. An Audit Charter has recently been introduced. Which sets out the strategic framework for internal audit provision. Internal Audit is subject to regular quality review by external audit.

### **Annual audit opinion**

- 8 Audit opinion can broadly fall into one of the following four categories:
  - i) Well controlled;
  - ii) Adequately controlled;
  - iii) Inadequately controlled;
  - iv) Uncontrolled.

The Council did not fully implement a corporate risk management system during 2003/04. However, our audit opinion for 2003/04 is that risks identified and evaluated by Internal Audit were *adequately controlled*. This means that key controls usually exist, but although there may be some inconsistency in application, they were operating effectively, and objectives were largely achieved. However, we are concerned that the risk of error or loss was not as well controlled in a number of areas. For example, aspects of DSO Housing Repairs & Stores gave audit concern during the year. We also note that the number of recommendations per audit has increased for the second year running.

### **Implications**

- 9 To reduce the residual risk of error or loss, management need to implement the recommendations contained within internal audit reports. To this end management action plans need to be completed and returned, and agreed

recommendations need to be implemented in a timely way. There were protocols with management to make sure that this happens and these have been largely effective during 2003/04.

**RECOMMENDED:**

That Members note the Annual Internal Audit report.

Background Papers: None

**Committee:**               **Scrutiny 2**  
**Date:**                       **1 December 2004**  
**Agenda Item No:**       **6**  
**Title:**                       **Sickness**  
**Author:**                   **Carole C W Hughes (01799) 510407**

### **Summary**

- 1     Members have requested information on sickness absence by service and type.
- 2     Please find attached as requested four charts. Two of the four detail sickness absence by service and show numbers of days lost and then a percentage of the total lost. The remaining two show days lost to short term sickness absence as both absence due to disability and to long term absence have been removed.
- 3     Due to the manner in which we have to record sickness for the purposes of the PI figures the charts show data from 1 October 2003 through to 30 September 2004.
- 4     There were 2465.5 days lost to sickness during the period however of these approximately 45 percent were lost due to long term sickness absences of thirteen employees.
- 5     The system used to withdraw the information is poor and not user friendly and due to Members approval of a capital purchase HR management information will be more readily available in the new year and in various formats.
- 6     Types of sickness and days lost were hand collated during April by a student and the data attached shows the records for the previous year. It has been attached for information. The current types of sickness are not dissimilar. Sadly we continue to have absences due to debilitating illnesses. Members will note that 770 of the days did not show the type of illnesses, the old format of the forms allowed this to occur and the forms have been change.
- 7     The new computerised HR system will allow this research to be compiled easily and we will be able to undertake sickness analysis on screen and circulate the data to Members and Officers. A demonstration of the new system will be available in the new year and Officers and Members will be invited.

## REPORT FROM RESOURCES COMMITTEE - 18 NOVEMBER 2004

### Item 7

**Committee:** Resources

**Date:** 18 November 2004

**Agenda Item No:** 16

**Title:** Staff attitudes and opinions

**Author:** Alasdair Bovaird (01799) 510400

### Summary

- 1 During the late summer and early autumn two parallel exercises were undertaken within the organisation to assess staff opinions and attitudes. These were independent exercises and were not informed by each other. Reports of the results of these two activities follow in this report. A proposed Action Plan has been agreed between management and Unison and was considered by the Local Joint Committee at its meeting on 10 November.

### Background

- 2 The two exercises which were carried out were:
  - Staff were invited to attend meetings with the Chief Executive in small groups (approximately 15 invited to each meeting).
  - At the same time, Unison prepared a questionnaire which they distributed to all their members.

### Staff group discussions

- 3 Between August 13 and September 16 2004, the Chief Executive met small groups of staff to discuss their current experience of working for Uttlesford District Council, their experience of the restructure and new arrangements over the last few months.
- 4 Altogether 21 such sessions were held with staff being invited to attend by the allocation of invitations so that each session were drawn from a cross-section of services. 228 staff in total attended one of the sessions.
- 5 It was made clear to staff that what was said within the meetings would remain private to those meetings: in the sense that nobody would be quoted by name, though the issues raised would be recorded and reported as part of the exercise.
- 6 The table in Appendix 1 sets out some of the comments made, clustered according to the issue that was being discussed as an attempt to give some flavour of the nature of the discussion. Some of the issues raised were capable

of immediate response, and where that was the case, the response is given in the table.

- 7 In the table, the left hand column represent what staff in the meetings said. I don't necessarily agree with all of them – and there are, as you would expect contradictions in the different things that staff said in their meetings. I have not attempted to water down the comments in any way, but unless they are enclosed in quotation marks the comments are a paraphrase of things that have been said – sometimes by more than one person, often by many individuals – rather than a direct quotation.
- 8 The right hand column in the table are the Chief Executive's comments.
- 9 Every member of staff received a copy of this report on or shortly after October 6, and were asked to comment by October 22. In particular, they were asked the following questions.
  - Are there things here you don't understand, or recognise?
  - Do you think I have captured accurately what was said?
  - Are the actions suggested right? What more could we do?
  - Is there anything else you want to say?
- 10 The findings were also the subject of a presentation to the Joint Management Team meeting which took place on October 6. In the event only a limited number of comments from staff were received – and where appropriate these comments have been incorporated into the comments in the appendix.
- 11 Staff were also asked what they thought of the exercise – whether it was worthwhile and how it could be done differently/better. The overwhelming response was that the exercise was worthwhile and the intention to repeat it annually was welcomed. Some staff rightly wished to suspend judgement until they could see whether action followed to deal with some of the issues raised.

### **The Unison questionnaire**

- 12 Unison at a meeting of its Executive Committee on 17 August 2004 took the decision to carry out a questionnaire of its members to gauge their concerns following the restructuring in June. This was done because of the perceived general lack of morale amongst staff as well as complaints arising from the restructuring that had been received by various members of the Executive Committee.
- 13 Of 145 questionnaires distributed, 115 were returned – a good response rate – representing the views of approximately one-third of staff in the council.
- 14 The results of the Unison questionnaire are tabulated in Appendix 2 to this report.

### **Discussions since the exercises**

- 15 The Executive Management Team discussed both sets of findings at its meeting on November 1. A Unison representative was present and contributed to the discussion. From this meeting a draft action plan was prepared.
- 16 The Chief Executive and Unison Officials met on November 8 to agree the details of the action plan. The draft plan had been discussed between these two meetings by members of the Unison Branch Executive.
- 17 The Action Plan was reported to the Local Joint Committee at its meeting on 10 November. The LJC endorsed the plan, with particular emphasis on the need for effective communication within the organisation.
- 18 It is therefore the case that the Action Plan in this report has the endorsement of both staff representatives and management. It is now presented to members for endorsement.

### **Action Plan**

- 19 The actions agreed fall into six main sections. These are set out in the table below.



<b>Section</b>	<b>What was the issue?</b>	<b>What will be done about it?</b>
<b>Attitudes</b>	We don't have enough systematic or regular information about the views of staff about working for Uttlesford.	We will circulate to all staff a brief questionnaire every six months so that we can establish an authoritative baseline of staff views and track the movements in those views. This would be actioned by the Chief Executive with the support of Carole Hughes and a representative from Unison.
<b>Bullying</b>	There were some figures which gave cause for concern in the Unison questionnaire about bullying. Although these figures were suggesting that the problem was reducing it is alarming that it appears as an issue at all.	UDC must have a zero tolerance approach to bullying and this approach will be advertised widely to all staff, together with how those affected can access help.  Meanwhile, Unison will be asked to advise on any other information they can provide on the issue consistent with their duty of confidentiality to their members.

<b>Section</b>	<b>What was the issue?</b>	<b>What will be done about it?</b>
<b>Communication</b>	<p>Both exercises, in common with other sources, identified communication as an issue of concern. Actions have been identified to address these issues, but there is clearly much work to do on this front.</p>	<p>Get out more – the Chief Executive and EMT should be more visible in the organisation</p> <p>Get some basic documentation in place – structure charts, phone books etc.</p> <p>Properly structured newsletters – let’s do them like we mean it: regular, informative and readable</p> <p>Ensure that there is an effective and consistent system of team meetings to ensure good two-way communication.</p> <p>A clearer sense of purpose – communicate the goals of the organisation through the corporate plan, face to face sessions with staff, individual objective setting</p> <p>Listen – create more opportunities to hear what staff’s concerns are, and how they feel. I will continue to have open door sessions, will repeat this exercise next year, will have staff meetings, but I would like to emphasise that anyone should feel able to make an appointment to come and see me if there is anything (anything!) that you would like to discuss or bring to my attention.</p> <p>Make EMT more accessible – individually we could all get out more, collectively we do already circulate minutes so you can see what we are up to, but we will also be setting aside one meeting every six months for the staff to set the agenda. Announcements will follow soon.</p>

Section	What was the issue?	What will be done about it?
<b>Communication (cont.)</b>		<p>It should also be made clear that if Unison wish to have an item discussed by EMT then they have the right to get that issue on the agenda, and that a Unison representative will be invited to join EMT for the discussion of the issue.</p>
<b>Development</b>	<p>The organisation's approach to development, appraisal, promotion and reward is fragmented and in some cases under-resourced. This needs to change and proposals are being developed.</p>	<p>The Executive Manager (Human Resources) is reporting to Resources Committee on November 18 with proposals on these issues.</p> <p>We will continue to discuss this issue widely and seriously over the next three months, the aim being to develop a serious programme of action by the new year. This will include:</p> <ul style="list-style-type: none"> <li>➤ A new understanding around reward and recognition that ensures transparency and equality of treatment of all staff;</li> <li>➤ A more flexible system for recruitment and promotion;</li> <li>➤ Increased opportunities for training;</li> <li>➤ A structured approach to development, appraisal and objective setting, which will offer opportunities to staff to develop their own capabilities and careers in a positive way and will include the proactive management of performance at a team and individual level by management.</li> </ul>

<b>Section</b>	<b>What was the issue?</b>	<b>What will be done about it?</b>
<b>Employment</b>	<p>Staff reported a number of concerns about the terms and nature of their employment: an over-reliance on bureaucracy, concerns about security, lack of flexibility available to managers.</p>	<p>Staff at the council need to be given reassurances about the security of their employment. There are roughly 340 staff employed by UDC – it is expected that these numbers will remain broadly static over the medium term, though there will of course need to be changes in the nature of the jobs required and the way in which they are organised.</p> <p>Security will depend on the ability of individuals to develop in ways that allow them to continue to contribute to the changing agenda.</p> <p>We will produce a revised staff handbook which will present a concise summary of the guideline within which staff and managers operate – this will replace the Personnel Policy Notes with a more accessible form of guidance, together with clarifying the scope of managers to apply their discretion in dealing with staff issues.</p> <p>There are two specific pieces of research which we need to carry out, and HR will be asked to lead this work in conjunction with Unison:</p> <ul style="list-style-type: none"> <li>➤ Benchmarking the size and nature of our workforce against similar authorities in other parts of the country (there is strong anecdotal evidence that we are under resourced in comparison to similar authorities.</li> </ul>

Section	What was the issue?	What will be done about it?
<b>Employment (cont.)</b>		<p>➤ We need to conduct an across-the-board review of our pay strategy. Again, there is anecdotal evidence that we are underpaying in relation to our peer group but we need to have clear evidence of where we stand to enable a future policy to be determined.,</p>
<b>Fixing the small things</b>	<p>There are a number of issues which – small in themselves – left unaddressed leave staff with the impression that their needs are being ignored.</p>	<p>Within that context, it is also important that the concluding stages of the Single Status agreement and subsequent national agreements are driven through to completion locally.</p> <p>EMT will compile a list of such issues and the fixes that have been applied to them.</p> <p>Where issues cannot be resolved EMT will give a clear indication as to the reasons.</p>

### Acknowledgement

- 20 On a personal note, I want to thank all the staff for taking part in both exercises. It wasn't always a comfortable experience, but their willingness to contribute in all the meetings has resulted in a mass of material to be digested and acted upon and will be to the benefit of the organisation in the coming months.

RECOMMENDED that this Committee:

- 1 Note and agree the action plan set out in paragraph 19 of this report.
- 2 Ask that the Chief Executive bring regular reports updating the committee on the progress of the actions and the impact they are having on staff opinions.

## Appendix 1: Staff group discussions

<b>The organisation as a whole</b>	
<b>Purpose and direction</b>	
<ul style="list-style-type: none"> <li>• Lots of pressure on Uttlesford area</li> <li>• All we ever talk about is the airport</li> <li>• Need to bring housing and planning closer together</li> <li>• Need for more support on sustainability issues</li> </ul>	<p><i>We are dealing with major issues on all sides – particularly in the planning and housing functions. There will be a report going to the Council meeting in October which will set out proposals for tackling the issues in a more co-ordinated way, and to ensure that resources are available to do so.</i></p>
<b>Restructure</b>	
<ul style="list-style-type: none"> <li>• Morale is low – especially where restructure had greatest impact.</li> <li>• We don't know where to pass things onto</li> <li>• Change seems to be unrelenting and constant: management style has become more distant when it used to be small and friendly.</li> <li>• New system is bedding in: staff are likely to be upset during this process.</li> <li>• Restructure has not freed up resources: just led to more pressure</li> <li>• Need organisational continuity: some people have been here a long time.</li> <li>• Still not clear exactly who is responsible for what in all cases</li> </ul>	<p><i>It is always unsettling for all involved when an organisation is going through major changes. We (management) need to do better at keeping people informed, and in particular the need for a simple summary of the new structure and 'who does what' is well overdue.</i></p> <p><i>On the whole, people do not seem to be in doubt about what is expected of them, but do feel that they do not now understand the new set-up and where help is likely to be found on a given issue.</i></p> <p><i>In some cases I think that the restructure has merely identified longstanding issues that were not being dealt with. Once we sort these out, with the help of staff, there should be some relative 'stability', but ongoing changes are inevitable.</i></p>
<b>Workloads and pressure</b>	
<b>Morale</b>	
<ul style="list-style-type: none"> <li>• Morale is low and falling</li> <li>• Turnover is high just now</li> <li>• Lots of people under stress and pressure – managers should know who they are.</li> <li>• We are starting to lose the goodwill of staff by asking them to do more (e.g. training their own supervisor).</li> <li>• "Soul-destroying to feel that we aren't doing well"</li> </ul>	<p><i>Turnover has marginally increased over last year. We need to be aware of these issues but the rise is not catastrophic. Of course it is not just a question of numbers but also of quality and ensuring that we have staff who are capable of delivering excellence for Uttlesford. We will continue to track turnover on a monthly basis, but the solution lies in effective development and reward structures for staff.</i></p> <p><i>It is also worth saying that we deliver good services and that my commitment to improve things should not be taken as saying that we aren't doing well already – just that we can do better.</i></p> <p><i>We don't have a direct way to measure staff morale, but many people were of the view that it was low – so I take that seriously. We will be doing some work over the next few months to tackle this – and putting in place measures to assess progress</i></p>

<b>Resources</b>	
<ul style="list-style-type: none"> <li>• Are resources to do the job always a priority?</li> </ul>	<p><i>Yes – but there are also severe, and increasing, pressures on resources so we can't just throw money at problems. We will have less money next year than we do this – and probably less still the year after.</i></p>
<ul style="list-style-type: none"> <li>• Front-desk staff find it increasingly the case that phones are not answered: difficult then to deal with the member of the public making an enquiry.</li> </ul>	<p><i>This is why we are looking at changing the way we deal with customer enquiries. A more co-ordinated front desk approach, with the right investment in information systems, will enable more enquiries to be dealt with at the front desk and in one call than is currently the case.</i></p>
<ul style="list-style-type: none"> <li>• Public pressure is huge: continuous phone calls etc.</li> </ul>	
<ul style="list-style-type: none"> <li>• We don't feel that we are giving as good a service as we used to.</li> </ul>	
<ul style="list-style-type: none"> <li>• We know that someone is leaving (e.g. retiring) but we don't recruit a replacement until they have left – we lose knowledge, experience and a chance to work alongside outgoing postholder</li> </ul>	<p><i>Agreed – but managers need to balance the opportunity to have someone learning alongside an outgoing postholder and the need to ensure that budgets are not overspent. It is not an easy task. Equally, a vacancy which arises can be an opportunity to reconsider how the job is being done – we should not automatically assume that the first thing to do is replace the outgoing postholder. I expect managers to work with staff to ensure that the job is being done effectively and efficiently – but also with flexibility and goodwill on all sides.</i></p>
<ul style="list-style-type: none"> <li>• Unable to take flexi because there's nobody to cover the absence</li> </ul>	
<ul style="list-style-type: none"> <li>• Spending a lot of time just trying to catch up</li> </ul>	
<ul style="list-style-type: none"> <li>• Lots of single person roles – no backup.</li> </ul>	
<ul style="list-style-type: none"> <li>• Increased demands, but no increase in staff</li> </ul>	
<b>Examples</b>	
<ul style="list-style-type: none"> <li>• Changes in Licensing will lead to increased pressure without the necessary resources</li> </ul>	<p><i>I have asked the relevant Executive Managers to note these comments and address them.</i></p>
<ul style="list-style-type: none"> <li>• Stewarding is not as secure as it used to be: not enough assistant stewards on the books.</li> </ul>	
<ul style="list-style-type: none"> <li>• We have four phones and two staff – how can we serve the public effectively?</li> </ul>	
<ul style="list-style-type: none"> <li>• Can't cope with street cleaning needs because we are always asked to help out with recycling.</li> </ul>	
<ul style="list-style-type: none"> <li>• IT has been under a lot of pressure and change in structure has not helped. Difficult to know who to go to if you want something fixed.</li> </ul>	
<b>Executive Management Team</b>	
<b>Overall</b>	
<ul style="list-style-type: none"> <li>• There is too much pressure on EMs</li> </ul>	<p><i>EMs have been asked to take on an increased</i></p>

<ul style="list-style-type: none"> <li>There is a more broadly based management structure – which is good.</li> </ul>	<p><i>role: and the reason that there are more rather than less of them is to balance their professional workload with their need to take on more of the corporate governance role. But they, like all of us have much to learn, are human beings and need the support and advice of colleagues.</i></p>
<p><b>Knowledge</b></p>	
<ul style="list-style-type: none"> <li>Lost some experienced staff at restructure – loss of knowledge in some areas</li> </ul>	<p><i>We need to focus on what we have not on what we have lost. Under the previous structure there were significant gaps in knowledge at the top table too – the key is to ensure that we develop effective management practice and that there is a good relationship between EMs, their managers and their staff.</i></p>
<ul style="list-style-type: none"> <li>EMs don't know the technical side of things</li> </ul>	
<ul style="list-style-type: none"> <li>Don't have professional representation or knowledge on EMT or in the management structure (e.g. environmental health; revenues manager etc)</li> </ul>	
<p><b>Communication</b></p>	
<ul style="list-style-type: none"> <li>Executive Managers have distanced themselves from the staff</li> </ul>	<p><i>We could all communicate more and be more visible. I intend to do that (and have been trying). All of us will.</i></p> <p><i>Not everyone thought these criticisms were accurate – and as can be seen there were some contradictions.</i></p> <p><i>Just as you never meet a bad driver, you never hear anyone say they are a bad communicator. It is a two-way issue, and I would hope that staff could initiate more communication up the organisation. My preference, as evidenced by the suggestions emails and these meetings is to let everyone contribute to the agenda and use their abilities. EMs have a key role, but cannot know as much as 300 other staff!</i></p>
<ul style="list-style-type: none"> <li>Haven't seen our new EM since restructure/New EM much more accessible (said in the same meeting about the same person)</li> </ul>	
<ul style="list-style-type: none"> <li>Would like to see the Chief Executive around the building more (“You've never seen what I do!”)</li> </ul>	
<ul style="list-style-type: none"> <li>Do EMT know what CICs do? They can't since they never tell us when changes are made.</li> </ul>	
<p><b>Keeping people in the picture</b></p>	
<p><b>Communication</b></p>	
<p><b>Comments and suggestions</b></p>	
<ul style="list-style-type: none"> <li>There seems to be some sort of blockage in communication</li> </ul>	<p><i>This was a common theme and we are trying to address it – this is an example. There will be more.</i></p> <p><i>We will also look at the tone of e-mails (particularly) to see if we can avoid giving offence.</i></p>
<ul style="list-style-type: none"> <li>There has been an increase in communication compared to the old structure</li> </ul>	
<ul style="list-style-type: none"> <li>Tone of communication sometimes offensive</li> </ul>	
<ul style="list-style-type: none"> <li>Could do with Grapevine coming back</li> </ul>	<p><i>A sub-group of JMT is working on it.</i></p>
<ul style="list-style-type: none"> <li>Need to blow our own trumpet more</li> </ul>	<p><i>Agreed</i></p>
<ul style="list-style-type: none"> <li>JMT – another group that meet and talk but don't do anything</li> </ul>	<p><i>Sub-groups of JMT are working on change management, the corporate plan and other actions. If we are to move the organisation forward, we need the fifty or so people who are 'middle managers' to understand and work for the</i></p>



	<i>corporate agenda. JMT will continue to meet regularly.</i>
<b><u>E-mails</u></b>	
<ul style="list-style-type: none"> <li>• Too many e-mails</li> <li>• But no screens for remote workers</li> <li>• Danger of overload (e.g. distribution of EMT minutes, the ice cream van, Duffy's are here)</li> <li>• Proliferation of e-mails to 'everyone' is unprofessional: smacks of trying to cover your back.</li> </ul>	<i>E-mail is an easy means of communication, but not always the best one. We all need to be more disciplined in its use.</i>
<b><u>Website</u></b>	
<ul style="list-style-type: none"> <li>• Website is hard to navigate – not obvious where to find things.</li> <li>• Could we put some other languages on the website to enable people to find the info they want</li> </ul>	<i>I will ask IT to look at these questions.</i>

<b><u>Team communication</u></b>	
<ul style="list-style-type: none"> <li>• “No team meeting since the restructure”</li> </ul>	<p><i>There should be regular meetings – not always easy to do. I know however that Building Control – despite spending a lot of their time out in the field – do have regular and effective meetings. If you want to know how they do it, why not ask Ernie Spencer?</i></p>
<ul style="list-style-type: none"> <li>• “We’re not a team, because we don’t get a chance to be a team” – said by a member of a team which works in the field visiting customers.</li> </ul>	
<b><u>Recycling changes</u></b>	
<ul style="list-style-type: none"> <li>• Recycling staff were not told that there was going to be a change in their arrangements</li> </ul>	<p><i>This was not said by a member of the Recycling Staff team, who did in fact receive a face to face briefing at the time the changes were first proposed.</i></p>
<b><u>Logo</u></b>	
<ul style="list-style-type: none"> <li>• Are we changing the logo? Is that the right way to spend money?</li> </ul>	<p><i>We have been exploring a new logo for Uttlesford – to change it would not be expensive – but no decision to do so has been taken. In fact, in recent weeks (since these meetings) it has been decided not to proceed with any proposals to change the logo.</i></p>
<b><u>Information, documentation</u></b>	
<ul style="list-style-type: none"> <li>• Phone book is out of date (ditto map book, tick lists, A-Z of services etc)</li> </ul>	<p><i>James Sadler is looking at a new district map book; and arrangements are in place for a revised phone book – using the Intranet so you can have a new one whenever you want. Equally, since the meetings a facility has been added to the Staff Information Database to allow individual staff members to provide information about their own role within the organisation. A more systematic version of this will be necessary to ensure full coverage..</i></p>
<ul style="list-style-type: none"> <li>• It would be good if the phone book, staff database said something about what people are responsible for as well as what their job title is.</li> </ul>	
<ul style="list-style-type: none"> <li>• Staff photos are awful in the database – looks amateur.</li> </ul>	<p><i>I particularly like the fingers that are visible holding up the screen behind a lot of staff in their pictures. Seriously, these were done in-house and fairly quickly – they are intended only as an aid to recognition, so they are probably fit for purpose just now – we could renew them if people feel strongly about it. Since the meetings the pictures have been ‘cropped’ to remove the fingers at the edge of the photos.</i></p>
<ul style="list-style-type: none"> <li>• Information about new structure is not readily available.</li> </ul>	<p><i>See comment above.</i></p>
<b><u>Consultation</u></b>	
<ul style="list-style-type: none"> <li>• Nobody listens to what we have to say</li> </ul>	<p><i>Consultation is difficult to time properly but we can do better on this – we need to strike the balance between consulting too early and not having enough detail to make the exercise meaningful and consulting too late and giving the impression that minds are made up. Sometimes of course the reality is that the decision has been made, and if that is the case we should be clear on the position.</i></p>
<ul style="list-style-type: none"> <li>• Often we are only consulted after the decision has been made</li> </ul>	

<b>Members and officers</b>	
<ul style="list-style-type: none"> <li>• Should work together – respecting each others’ roles</li> </ul>	<p><i>Again, mixed views here – probably reflecting the different experiences that folk have had, and the fact that many members of staff have no real contact with members on a day to day basis. However, I agree with the first point – we need to respect each others’ roles – and I think it is true to say that demands on UDC – from whatever source – are increasing.</i></p>
<ul style="list-style-type: none"> <li>• Some members (only 4 or 5) interfere.</li> </ul>	
<ul style="list-style-type: none"> <li>• Very active political administration with increased demands on the organisation.</li> </ul>	
<ul style="list-style-type: none"> <li>• Relationship is more positive than in the past.</li> </ul>	
<b>Getting things done</b>	
<b>Getting things done</b>	
<ul style="list-style-type: none"> <li>• Managers might have degrees but they don’t know how to organise anything – make assumption about staff being available to, for example, staff skips on Saturdays and Sundays.</li> </ul>	<p><i>If you think there are better ways to do things than the way they are being done, then say so – we are always in the market for improvements. We have had good public feedback for the weekend skip service, so I think we can expect it to continue. It is often difficult to set up new schemes, but things should settle down once they become established.</i></p>
<ul style="list-style-type: none"> <li>• We don’t have the tools to do the job – have to look for them in skips.</li> </ul>	<p><i>If you don’t have the tools to do the job, ask for them. If your supervisor won’t provide them – let your EM know (or me).</i></p>
<b>Bureaucracy/Style</b>	
<b>Corporate approach</b>	
<ul style="list-style-type: none"> <li>• Lack of corporate identity: no agreed style of operation</li> </ul>	<p><i>On this one I think the solution is here as well as the problem. It is in how we all behave with each other. Unless we all recognise the need to work across boundaries, then we won’t get better. We are looking at ways to resolve some of these issues: look out for the Strategic Development Advisory Group that is being considered by Council this month, and the changes in IT which are designed to remove some barriers. In the end it is about how we behave, not the structures.</i></p>
<ul style="list-style-type: none"> <li>• Need to recognise role of middle management and their ability to pass on experience and knowledge</li> </ul>	
<ul style="list-style-type: none"> <li>• Walls are getting thicker – not much working between departments (others thought differently)</li> </ul>	
<b>Human Resource issues</b>	
<ul style="list-style-type: none"> <li>• The amount of paperwork that has to be completed to recruit a member of staff is excessive;</li> </ul>	<p><i>We will look at both these questions – and let everyone know what is being done.</i></p>
<ul style="list-style-type: none"> <li>• Do we really need so many PPNs?</li> </ul>	
<ul style="list-style-type: none"> <li>• We used to take new staff around the building and introduce them (mixed views on whether this was a good thing)</li> </ul>	<p><i>Different views on the same issue: many people believed that UDC used to be a friendly place where everybody knew everyone else. Not all staff shared that view. We could however do more to ensure that people are introduced and familiarised with the place.</i></p>
<ul style="list-style-type: none"> <li>• “I have been here twelve years and people still ask ‘Are you new?’”</li> </ul>	

<b>Process management</b>	
<ul style="list-style-type: none"> <li>We don't review our processes thoroughly: for example the allowance for decorating a house is no longer means-tested, but we still have to ask questions about income etc when dealing with the client.</li> </ul>	<p><i>All good examples of how we can do things better – and the key to achieving improvements will be when we all act upon the problems we see coming without waiting for someone's permission to do something about it.</i></p> <p><i>I agree that we can sometimes focus on the process at the expense of results, but we live in a world where process matters (it's a bit like having to show your working when you learned maths at school).</i></p>
<ul style="list-style-type: none"> <li>We see problems coming, but don't do anything about them until they have happened (e.g. sheltered housing staff changes, licensing resources)</li> </ul>	
<ul style="list-style-type: none"> <li>Often focus on process not results (e.g. audit report on council tax collection)</li> </ul>	
<b>Personnel issues</b>	
<b>Flexitime</b>	
<ul style="list-style-type: none"> <li>Should be applied equally across the organisation</li> </ul>	<p><i>Well, treating people fairly doesn't always mean treating them the same – but the point is well made. Within the constraints of delivering a good reliable service, people should be able to use flexitime to the full. I think we are too cautious on this, and would encourage managers to take a more relaxed view on timekeeping etc.</i></p>
<b>Accommodation</b>	
<ul style="list-style-type: none"> <li>Possibility of an office move is unsettling</li> </ul>	<p><i>There were lots of other comments along these lines too: you should all have seen the latest from Julian Sayer and his working group – and proposals for changes will begin to emerge soon.</i></p>
<ul style="list-style-type: none"> <li>Not bad where we are – new furniture and getting more.</li> </ul>	
<ul style="list-style-type: none"> <li>Lodge is forgotten about (e.g. during the fire drill)</li> </ul>	<p><i>There are real problems with accommodation – not everyone is happy where they are and not everyone can be effective within the current setup. If you look at the results of the consultation exercise then you will be able to see some of the tensions.</i></p>
<ul style="list-style-type: none"> <li>Planning is getting more staff but where will they sit?</li> </ul>	
<ul style="list-style-type: none"> <li>What is the hold-up on air-conditioning units on the top floor?</li> </ul>	<p><i>The problem was identifying the resources necessary to buy the equipment. I believe that has now been done and we should be able to sort it out well in advance of next summer.</i></p>
<ul style="list-style-type: none"> <li>Who looks after things like replacing the dishcloths in the staff room etc (answer: at the moment, staff have to do it themselves).</li> </ul>	<p><i>This is part of the cleaning contract and should be referred to Office Services if there is a problem.</i></p>
<b>Reward and recognition</b>	
<b>Recruitment problems</b>	
<ul style="list-style-type: none"> <li>It is difficult to employ people here: too expensive to live here, and policies are too rigid.</li> </ul>	<p><i>This is a real challenge for us: we are a very rules-bound organisation (and need to be less so) but there is comfort in the rules. I think we should be prepared to take more risks, but recognise that that would mean relying on our own judgement</i></p>
<ul style="list-style-type: none"> <li>Are we relying on inertia rather than reward to retain people?</li> </ul>	

<ul style="list-style-type: none"> <li>When I was offered the job (recently) HR were not very flexible in their dealings with me – it was as though I was doing you a favour by coming to work here.</li> </ul>	<p><i>not a set of rules, and that sometimes the application of that judgement would be seen as being unfair or biased.</i></p> <p><i>What do others think?</i></p>
<b>Recognition</b>	
<ul style="list-style-type: none"> <li>Recognition is 'not there'</li> </ul>	<p><i>Agreed – this is one of the major issues we need to 'do something' about ...</i></p>
<ul style="list-style-type: none"> <li>Need to be more visibly appreciative of staff (e.g. lack of management presence at recent leaving do)</li> </ul>	
<ul style="list-style-type: none"> <li>Want to feel that good ideas can be implemented</li> </ul>	
<ul style="list-style-type: none"> <li>We log complaints, why not compliments?</li> </ul>	
<ul style="list-style-type: none"> <li>A job being done well becomes invisible – no recognition.</li> </ul>	
<b>Reward</b>	
<ul style="list-style-type: none"> <li>UDC doesn't pay as well as its neighbours</li> </ul>	<p><i>... and so is this.</i></p>
<ul style="list-style-type: none"> <li>Don't get as much leave as other places</li> </ul>	
<ul style="list-style-type: none"> <li>Could we look at a scheme of benefits: Lord Butler membership; BUPA; more holiday?</li> </ul>	
<ul style="list-style-type: none"> <li>Some people get paid overtime, others don't – not consistent</li> </ul>	
<b>Staff safety</b>	
<ul style="list-style-type: none"> <li>Concern about staff safety – e.g. when being called out at night as a single member of staff, especially in areas where mobile phone coverage is poor.</li> </ul>	<p><i>This was raised in the context of a specific group of staff. I have asked the relevant manager to consider the issue and suggest improvements.</i></p>
<b>Career structure</b>	
<ul style="list-style-type: none"> <li>Part-time staff could be better used</li> </ul>	<p><i>As with the two issues above, this is something we need to 'do something' with. We don't want to 'get rid' of anybody. We find recruitment difficult in some fields so we need to grow our own more, and we need to be able to deploy people flexibly. But doing that depends on staff and management trusting each other to work for the overall good of the council and the district while protecting individuals' long term interests. Not easy, nor quick. We will talk more about this.</i></p>
<ul style="list-style-type: none"> <li>Flexibility is good in making appointments, but secondments have not been properly thought through – particularly in respect of back-filling vacancies left by those seconded elsewhere.</li> </ul>	
<ul style="list-style-type: none"> <li>Opportunities for secondments, but they might not work out – what happens then?</li> </ul>	
<ul style="list-style-type: none"> <li>Why does the council want to 'get rid of everybody on the labour side?'</li> </ul>	
<ul style="list-style-type: none"> <li>We are not getting staff development right – need to grow our own more</li> </ul>	
<b>Training and Development</b>	
<ul style="list-style-type: none"> <li>Need more access to training – and managers who will support it.</li> </ul>	<p><i>Again, a need for a programmed approach to solving these issues. Some recent returns suggest</i></p>

<ul style="list-style-type: none"> <li>We seem to be happy to let people learn by mistakes</li> </ul>	<p><i>that appraisals are worse than patchy. This will not continue.</i></p> <p><i>And we need a properly resourced and structured training and development programme for staff at all levels in the organisation.</i></p>
<ul style="list-style-type: none"> <li>Need more info about training programme, its structure etc.</li> </ul>	
<ul style="list-style-type: none"> <li>Appraisals are very patchy – should be ongoing and constant.</li> </ul>	
<ul style="list-style-type: none"> <li>Appraisals are not good – not properly linked to training needs.</li> </ul>	
<b>Building, facilities etc</b>	
<b>Dunmow</b>	
<ul style="list-style-type: none"> <li>Problems with Dunmow security system (when last person in building is left alone)</li> </ul>	<p><i>We will be making some suggestions on how to address these issues over the next two months. Stewarding has been a problem for some time, particularly since David Noble's accident.</i></p>
<ul style="list-style-type: none"> <li>Isolated and neglected (both accommodation and communication).</li> </ul>	
<ul style="list-style-type: none"> <li>Stewarding in Dunmow haphazard.</li> </ul>	
<b>Parking</b>	
<ul style="list-style-type: none"> <li>Database issue very badly done – poorly communicated</li> </ul>	<p><i>Understood – but it is done now. We will try to avoid the same mistake in the future.</i></p>
<ul style="list-style-type: none"> <li>Why do members need spaces reserved on DC days?</li> </ul>	<p><i>The spaces are reserved since members are required to be in attendance at site visits in the morning and the committee in the afternoon. If spaces were not reserved then members would need to double park behind staff cars before boarding the coach for site visits. So, reserving spaces for members prevents staff from being blocked in when they wish to leave the car park. No one is prevented from finding a space as a result of the reservation of spaces for members.</i></p>
<b>Oakroyd House</b>	
<ul style="list-style-type: none"> <li>Specific issue about Oakroyd House – we still look after residents but training/policies are different.</li> </ul>	<p><i>The relevant manager will discuss this with the staff concerned.</i></p>

## Appendix 2: Unison questionnaire

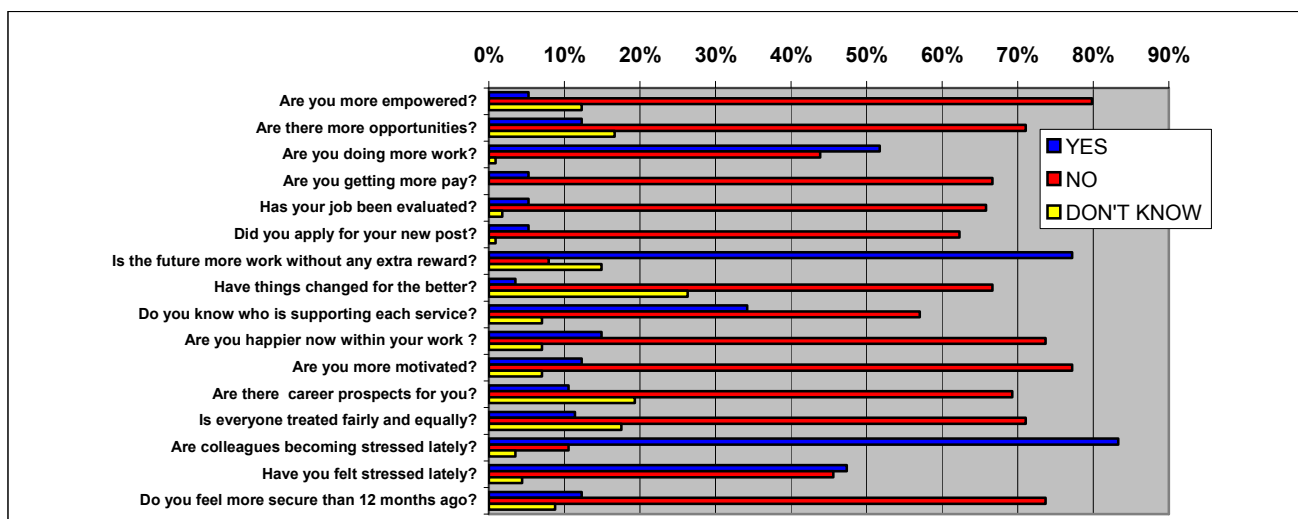
Question	Less	Same	More	Yes	No	Don't Know	Left Blank
A Do you feel more empowered to carry out your work since the restructure?				5%	80%	12%	3%
B Do you feel there are more personal/professional development opportunities as a result of the restructure?				12%	71%	17%	0%
C Have you been asked to take on more work or responsibilities or change jobs as a result of the restructure? If so;				52%	44%	1%	4%
C/a Have you received any additional pay?				5%	67%	0%	28%
C/b Have you had your job evaluated?				5%	66%	2%	27%
C/c Have you had to apply for your new post?				5%	62%	1%	32%
D Do you feel that the future as an employee at Uttlesford could involve being asked to do more work without any extra reward?				77%	8%	15%	0%
E Do you think that the restructure has changed things for the better?				4%	67%	26%	4%
F Since the restructure have you had sufficient information regarding who is responsible for supporting each service?				34%	57%	7%	2%
F/a Are you happy with the level of support you are now receiving?				31%	46%	16%	7%
G Do you feel that there is sufficient support from your executive manager?				48%	33%	15%	4%
H Do you feel that the Executive Management Team is working together for the good of the authority and the staff?				19%	41%	39%	0%
I Since the restructure do you feel that you are being over managed i.e. being told what to do, how to behave more than is necessary?				20%	76%	3%	1%
J Since the restructure do you feel that there are more forms to complete and more obstacles put in the way of achieving the work that you need to do?				38%	50%	11%	2%
K Are you happier within your work than you were 12 months ago?				15%	74%	7%	4%
L Are you more motivated to do the best possible job than you were 12 months ago?				12%	77%	7%	4%

Question	Less	Same	More	Yes	No	Don't Know	Left Blank
M Do you feel that there are career prospects for you at Uttlesford?				11%	69%	19%	1%
N Do you think that everyone is treated fairly and equally?				11%	71%	18%	0%
O Have you noticed colleagues becoming stressed lately?				83%	11%	4%	3%
P Have you felt stressed at work lately?				47%	46%	4%	3%
Q Have you needed time off sick through stress or a stress related illness lately?				8%	89%	2%	1%
R Do you feel more secure in your employment than you did 12 months ago?				12%	74%	9%	5%
S Is your team having difficulties recruiting/retaining staff since the restructure?				42%	23%	31%	4%
T/a Do you feel this is due to; Salary levels?				43%	10%	14%	33%
T/b Do you feel this is due to; Working conditions?				27%	22%	18%	33%
T/c Do you feel this is due to; Morale?				44%	12%	13%	31%
U/a If you are experiencing problems at work is this due to; Your line manager?				11%	60%	2%	27%
U/b If you are experiencing problems at work is this due to; Your Executive Manager?				17%	54%	7%	23%
U/c If you are experiencing problems at work is this due to; Personnel?				27%	39%	8%	25%
U/d If you are experiencing problems at work is this due to; Colleagues?				18%	53%	3%	26%
U/e If you are experiencing problems at work is this due to; Other?				24%	41%	5%	30%
V/a Since the restructure do you feel; Valued?	48%	30%	7%	22%	60%	13%	5%
V/b Since the restructure do you feel; Empowered?	54%	21%	7%	17%	66%	11%	7%
V/c Since the restructure do you feel; Happy?	44%	32%	8%	32%	52%	8%	9%
V/d Since the restructure do you feel; Supported?	51%	30%	4%	35%	46%	11%	8%
V/e Since the restructure do you feel; Trusted?	54%	25%	7%	46%	32%	14%	8%
V/f Since the restructure do you feel; Motivated?	45%	35%	5%	24%	57%	10%	10%



Question	Less	Same	More	Yes	No	Don't Know	Left Blank
V/g Since the restructure do you feel; Bullied?	56%	3%	13%	17%	70%	6%	7%
V/h Since the restructure do you feel; Stressed?	47%	1%	29%	37%	51%	4%	8%
V/l Since the restructure do you feel; Insecure?	46%	2%	32%	39%	45%	9%	7%
V/j Since the restructure do you feel; Victimised	59%	2%	12%	16%	70%	7%	7%
V/k Since the restructure do you feel; Threatened?	52%	2%	19%	22%	66%	4%	8%
W/a Car parking database; Are you happy for your details to be included?				71%	16%	9%	4%
W/b Car parking database; Do you feel the proposed system will work?				22%	28%	47%	3%
W/c Car parking database; Did you view the tone of the information and form sent out by Personnel as threatening?				61%	27%	7%	5%
W/d Car parking database; Do you feel that your consent was given freely?				42%	42%	10%	6%
W/e Car parking database; Do you believe that it is necessary to remove a privilege if someone is unwilling to give consent?				16%	62%	17%	5%
W/f Car parking database; Do you feel that this is a sign of things to come?				66%	10%	19%	5%
X Do you feel there is enough consultation by Personnel with the Union?				8%	55%	37%	0%
Y Do you feel that there is a 'Blame Culture' at Uttlesford?				49%	19%	30%	2%
Z Do you feel that the Executive Management Team trust staff to behave responsibly?				23%	41%	34%	2%
AA Do you feel there is mutual respect and trust between the Executive Management Team and staff?				17%	62%	18%	3%

	Yes	No	Don't Know	Left Blank
Are you more empowered?	5%	80%	12%	3%
Are there more opportunities?	12%	71%	17%	0%
Are you doing more work?	52%	44%	1%	4%
Are you getting more pay?	5%	67%	0%	28%
Has your job been evaluated?	5%	66%	2%	27%
Did you apply for your new post?	5%	62%	1%	32%
Is the future more work without any extra reward?	77%	8%	15%	0%
Have things changed for the better?	4%	67%	26%	4%
Do you know who is supporting each service?	34%	57%	7%	2%
Are you happier now within your work ?	15%	74%	7%	4%
Are you more motivated?	12%	77%	7%	4%
Are there career prospects for you?	11%	69%	19%	1%
Is everyone treated fairly and equally?	11%	71%	18%	0%
Are colleagues becoming stressed lately?	83%	11%	4%	3%
Have you felt stressed lately?	47%	46%	4%	3%
Do you feel more secure than 12 months ago?	12%	74%	9%	5%



#### Additional Comments

- Too many chiefs not enough Indians! Staff not trusted to take on responsibility - no motivation! Managers not prepared to let go off work - want to be indispensable but cannot get it all done! Lack of consistency through council flexi time. Has the restructure really affected any bottom line staff???

- Benefit Fraud has had proposed changes since January 2004. The benefits team was five people now one. So much for team, the job is therefore almost impossible to continue. The last member of the team has been working alone since May 10th 2004. Not suitable, this does not make for a safe working environment.
- Restructuring Questionnaire – Additional Comments Question (g) & (i) With the exception of him putting his head round the door and asking me to distribute a Team Brief and taking a message from him for a colleague, since 1st June I have not had any contact with my Executive Manager, either formal or informal. So in response to (g) – I haven't had any support at all from my EM (i) – I have been grossly under managed as far as my EM is concerned. I have not personally been involved in any 'dispute' with personnel, but my two senior colleagues are. It is very noticeable the effects their problems are having on them, the lack of support/assistance they are getting from the EM and the subsequent effects the remainder of our team. It is very unsettling when one's two senior colleagues are feeling undervalued and that their positions are threatened and leads to speculation that there may be some hidden agenda and that the team could be under threat. Communication is being heralded as unpinning the whole 'jigsaw', but there are huge gaps in the communication between staff and management.
- IT support for packages used. Now no GGP officer + no Ocella support except once per month - could lead to a fail in service to the public.
- Answers to this questionnaire will reflect the individuals own perceptions/views but may not reflect what is seen to be happening within groups/departments overall.
- Haven't answered S and T because my department has difficulty in recruiting staff, but not because of restructure. Working conditions cramped. Morale sometimes low because of pressure of work, lack of staff. Salary not good enough in grade when compared with amount of responsibility of work done. Answer to U. -e. My concern is that I have no proper desk space; I am cramped up in a small corner, with no facilities - telephone, or computer screen. I can manage but sometimes it is difficult and I have worked in the department much longer than most of my colleagues. I think people who do more work within certain departments should receive praise and more pay - perhaps in the form of a bonus? People work hard but are not always appreciated.
- I am unhappy that I am still working the toil system, under duress for the last 12 months. I have asked for updates but it appears that personnel haven't done anything, thinking that if they keep their head down that the issue will go away. I don't think this is a responsible way to deal with this. It is similar to the way I have been treated over TA leave. Originally I was given two weeks leave then this was hacked around to be less leave than any other council in Essex. This is typical of how personnel appears to be working "for" the officers of Uttlesford and is I would suggest in direct conflict with the intentions of the leader of the council as set out in his paper; 'Finding the Balance Work-Life Policies in Practice, National Joint Council for Local Government Services, September 2001'. Please see quote below;
- "Leave for other reasons  
There are other reasons why employers might be required, or wish to provide leave. These include: - Domestic emergencies, such as plumbing, gas escapes or dealing with the aftermath of a crime at home. - Relationship breakdown. - Domestic violence. - Moving house. - Study leave to enable an employee to attend a part-time course, or prepare for and take an examination. - Attending a job interview. - Undertaking a public duty or a public service such as jury service. - Volunteering for the non-regular forces. - Participating in a high level sporting event. - Going on a 'trip of a lifetime' Why is it important? Some of the reasons for this type of leave can support the personal development of employees, and have consequent benefits for the employer. Recognition of the time required to deal with personal crises like relationship breakdown can mitigate on the impact these have upon work, and help the employee to deal with them. In some instances, there is a legal duty to allow leave. Extending the possibilities of paid or unpaid leave beyond the strict legal entitlement may enhance productivity, improve morale, and assist in recruitment and retention. Current experience - According to the DETR survey, 90% of local authorities provided paid study leave. Just over 20% of all

employers provided study leave, paid or unpaid. 71% of local authorities provide for paid territorial leave.”

**Committee**                      **Scrutiny 2**

**Date**                              **1 December 2004**

**Agenda Item No:**        **8**

**Title:**                            **Half Year Budgetary Control Report**

**Author:**                        **Philip O'Dell (01799) 510670**

### **Summary**

- 1     This report provides a summary of spending and income against profiled budgets as at 30<sup>th</sup> September 2004, six months into the Council's financial year.

### **Background**

- 2     The Audit Commission have highlighted budgetary control as a key area for improvement in the Council's financial management. The Council went live with a new financial management system in July and now has scope to present budgetary information in a better way and to use a variety of tools within the system to ensure that more checks and controls on Council spending are in place, but within the framework of extensive delegation to managers.
- 3     One of the functions within the new financial management system is budget profiling. This provides the ability to 'spread' or 'project' spending and income over their 'expected' pattern or 'profile' during the year, thus allowing focus on variations from that expectation.

### **Budgetary Control Position as at 30<sup>th</sup> September 2004**

- 4     A report taken direct from the new financial management system is attached at Appendix 1. This report covers all main service headings of the Council's budget and is structured on a committee basis.
- 5     The report uses a 'current status' indicator in the final column to indicate whether a budget appears to have a problem. A 'one star' indicator shows that actual spending or income has exceeded the profiled budget, but is within the total budget for the year. A 'two star' indicator shows that actual spending or income has already exceeded the total budget for the year. The two star indicators are therefore the more serious issues, where budget managers would be asked to indicate the reasons for the apparent variance.
- 6     The reasons for significant variances can be summarised as
  - Incorrect budget for the year shown on system (likely to be very rare)
  - Incorrect or out of date profile used for this type of spending or income

(may often be the case, but needs to be treated with caution, as it is a seductive response which may merely hide a real problem)

- Incorrect actual spending or income to date (may often be the case due to miss-allocation of sums on the system. Can be easily corrected if so)
- Genuine budget over-spending or over-achievement of income (in this case, managers should be making appropriate responses, such as virement of budgets)

- 7 The capabilities of the new financial management system are still being developed and the needs of individual manger and services being refined. In this context, Members are respectfully requested to see the attached report as very much a starting point in improved budgetary control. In addition, with the focus on revising budgets for the current financial year, based partly on the budgetary control position at 31<sup>st</sup> August (i.e. one month earlier that the report attached as Appendix 1), a full explanation of the half year position could not be input into this report, based on the 'current status' indicators shown. Details of any significant variances, analysed over the four categories contained in paragraph 6 above will therefore be tabled at the meeting.

RECOMMENDED that Members note the budgetary control position as at 30<sup>th</sup> September 2004 and make any appropriate comments

Background Papers: Budgetary Control Reports as at 30<sup>th</sup> September 2004.

**Committee:** SCRUTINY COMMITTEE 2 : RESOURCES & ENVIRONMENT

**Date:** 1 December 2004

**Agenda Item No:** 9

**Title:** PERFORMANCE MANAGEMENT REPORTING  
JULY TO SEPTEMBER 2004

**Author:** Michael Dellow (01799) 510310

### Summary

- 1 The provisional performance Management results for July to September 2004 are attached at Appendix A. The results remain provisional at this stage because of the difficulty of adapting this quarterly reporting to the timing of the five Committee cycles during the year. The data has been further updated since the report to Scrutiny Committee 1.

### Background

- 2 The table below gives a snapshot of the results so far presented. The × in the fourth column indicates data that is not yet available for one reason or another. Work is still continuing on assembling the data for complete presentation to Members in due course. Everything remains subject to final checks.

Performance Indicator Series	Total	😊	😐	😞	×
Corporate Management - CM	4	0	0	0	4
Environment - EC	9	6	0	2	1
Finance & Assets - F	8	2	1	2	3
Housing Services - H	6	4	0	2	0
Human Resources - HR	6	3	0	1	2
Corporate Governance - CG	7	4	1	2	0
Customer Services - CS	5	3	1	0	1
Development Services - DS	7	1	3	2	1
Strategy & Performance – SP	11	2	5	1	3
<b>SUB -TOTAL</b>	<b>63</b>	<b>25</b>	<b>11</b>	<b>12</b>	<b>15</b>
Best Value - BV	21	7	6	3	5
<b>TOTAL</b>	<b>84</b>	<b>32</b>	<b>17</b>	<b>15</b>	<b>20</b>

- 3 Further information will be provided at the meeting, where possible, for any matters flagged up as being of particular interest or concern.

FOR INFORMATION