

Value: Working as a team for Leeds

Priority: Staff have a clear understanding of their role as well as clear objectives and performance targets which are monitored through high quality appraisals.

Why is this priority? Appraisals for all staff are essential in driving effective performance management to achieve the Council's business and service plan objectives, embed the revised values and help us meet future challenges. The Chief Executive and directors are championing regular appraisals as a priority so that all employees are managed, motivated and developed to perform their role effectively and deliver improving services for Leeds.

Overall Progress
AMBER

Story behind the baseline

Appraisal targets – For 2011-12, an annual appraisal timetable was agreed with full appraisals taking place between April and July 2011 and interim meetings between October and December. One of the Chief Executive's three 'Calls to Action' in 2011/12 to all leaders is to ensure that all employees have a quality appraisal with a Personal Development Plan and at least one development action linked to service plans.

As at 31 March 2012, 92% of staff were recorded as having had a full appraisal, with the Environments and Neighbourhoods and Children's Services directorates reporting the lowest figures of 85% and 86%. All other directorates completed between 90% and 100%.

As at 31 March 2012, 80% of staff were recorded as having received a 6 month review. One-off exemptions were previously agreed for the majority of Commercial Services and Sports due to service constraints and restructuring. There will be no exemptions following the introduction of performance and learning management system (PAL) in 2012/13.

The figure of 70% for Environment and Neighbourhoods is due to service constraints affecting crew-based staff within Waste Management Services and an approach to address this in 2012/12 is being prepared. For ASC, 89% of 6 month reviews were recorded in SAP, at the time of writing there are still some completed reviews to record in SAP. Children's Services mid year review figure of 56% is due in large part to the impact of the directorate wide restructuring activity involving over 3000 staff which has been implemented in stages since 1st November 2011.

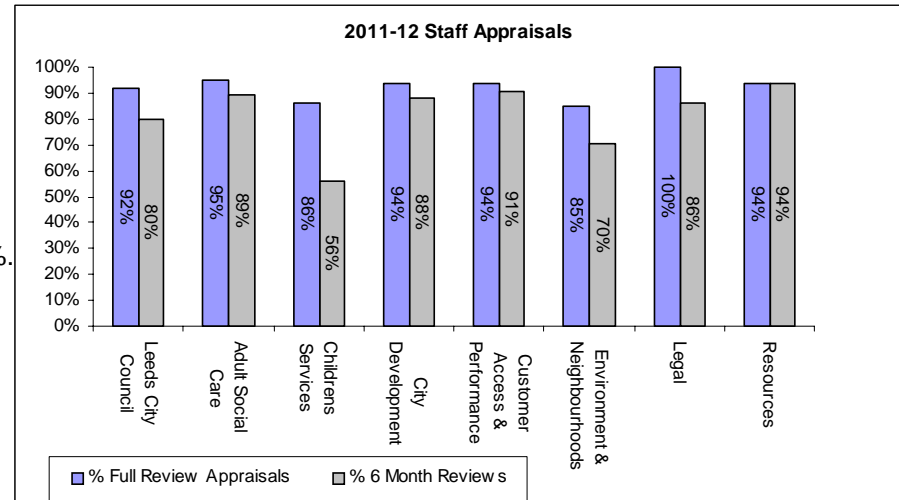
All staff absent due to maternity, sickness leave or a career break for 6 months or more on the date reports are run are excluded from any calculations and reports including total headcount. The overall variance in the final year-end 6 month review figures is likely to be due to some under reporting, restructures, staff movements and corrections to duplicate records loaded onto SAP by co-ordinators.

Looking forward, an improved performance and learning management system (PAL) will be introduced in May 2012. The next round of full year appraisals will take place between May and July 2012. Responsibility for reporting appraisal completion moves from the BSC to the HR team as of May 2012. Monthly reports will be produced in May, June and July 2012 to track progress towards the target of 100% appraisals undertaken by 31st July 2012.

What do staff think

The 2011 Employee Engagement Survey provided baseline data about how people feel about the support, guidance and feedback from their managers and quarterly sample surveys will provide ongoing intelligence. The survey results said that 'being clear about what they need to achieve in their job' was important to staff and feedback shows that, although managers communicate this well, some managers could provide more regular feedback on how they are doing their job. To accurately assess the degree to which staff feel this is happening in appraisals, additional questions have been added to the 2012 Quarter 1 Survey. These are explained under 'New Actions' below.

Headline Indicator: Every year 100 per cent of staff have an appraisal



The Investors in People report stated that, whilst our performance on appraisals and development plans had improved and the majority of people and teams are being managed well with regular appraisals, this was not consistent across the authority. The assessor stated that leaders and managers need to perform their people management role in line with behaviours as described in 'Living Our Values' - which includes providing staff with regular feedback, development and support through regular appraisals and interim reviews.

What we did:

- CLT, on 29th November 2011, agreed:
 - the consistent use of performance assessment in appraisals for all staff.
 - annual revenue contributions from corporate and directorate based workforce development budgets to implement the on-line performance management and learning system, until efficiencies are realised and savings redirected back
- A briefing note taken to CLT regarding the 2011-12 Mid-Year review position and, looking forward, the arrangements for Appraisals in 2012/13.
- Mid year reviews: A full list of non-completions around mid year reviews was shared with Directors. Following checks, Directors were asked to share this data directly to Heads of Service, to seek substantial reasons and explanations for why mid year reviews for all staff have not taken place. All final records to be submitted by 27th April 2012.
- Appraisals 2012/13: A full review of appraisal arrangements has been completed and, looking forwards, a new simpler, single appraisal approach has been agreed. This addresses the complexity of current appraisal documentation, inconsistencies in the implementation of quality appraisals and recording issues across the organisation.

New Actions:

The main principles of the new approach are that:

- the appraisal approach and forms are simplified and shorter
- there is consistency in approach across the organisation
- the focus of a quality appraisal centres on a quality discussion, with preparation from manager and employee
- objective setting, performance assessment and development planning are included and conducted well in all appraisals.
- leaders and managers behaviours reinforced by 'Living our Values' behaviours

The reporting process is being improved for 2012/13: The move to the new on-line Performance and Learning System (PAL) will help us record appraisal information accurately for those in scope, and a new process for recording paper-based appraisals will be introduced for those employees not in scope.

Appraisal guidance will be communicated across the organisation, and a renewed approach to appraisal skills training will be launched.

Appraisal Champions have been identified across the organisation and trained to support managers in the implementation of the on-line system.

Three additional questions have been added to the 2012 Quarter 1 Survey to assess if people are having quality appraisals with discussions about performance and development planning and whether managers regularly create opportunities to discuss issues that affect people and their team.

Data Development:

The final Quarter 4 mid-year review figure may be due to under-reporting and work has taken place during April to rectify this to provide an accurate 2011/12 year end position.

PAL will provide a suite of reports on appraisals performance e.g. the numbers, appraised and all appraisal data will be recorded and can be accessed directly by managers.

What Worked Locally /Case study of impact:

- In Commercial Services, managers of large front line services successfully amended their existing appraisal booklets to fit with the approach to be introduced in 2012/13.
- In ASC HR/OD Business Partners Communication Plan in place to promote the new system and is being rolled out to management teams across the directorate. Appraisal Champions have been identified and are currently being trained.

Risks and Challenges

- Resourcing issues for one-to-one appraisals for some crew-based, short-hour staff and those working remotely from supervisors in front line services.
- Ensuring that all staff appraisals are recorded under the new PAL system, particularly those that do not have direct on-line access.

Value: Being open, honest and trusted

Priority: Staff are fully involved in delivering change and feel able to make an impact on how services are delivered

Why is this a priority - Effective staff engagement is essential to help the council meet the many challenges it faces, including improving productivity and service delivery. We recognise that there are many factors that influence staff engagement. These include the quality of leadership as well as whether staff feel listened to and valued and whether we are seen to be living the council values.

Overall Progress
AMBER

Story behind the baseline - The Council has adopted an approach to measuring staff engagement based on the MacLeod model of engagement drivers (Leadership, Management Effectiveness, Staff Voice and Integrity). A benchmarking survey was undertaken in November 2011 for all staff (excluding schools), to be followed by quarterly surveys during 2012/13 (of one quarter of the workforce) to monitor changes/improvements in levels of staff engagement.

Progress has been rated as 'Amber': although considerable effort has been invested in communicating the survey results, and discussing appropriate 'improvement actions' within directorates/teams, the impact has not yet been evaluated. This will be done in the Q1 2012 survey (due May 2012).

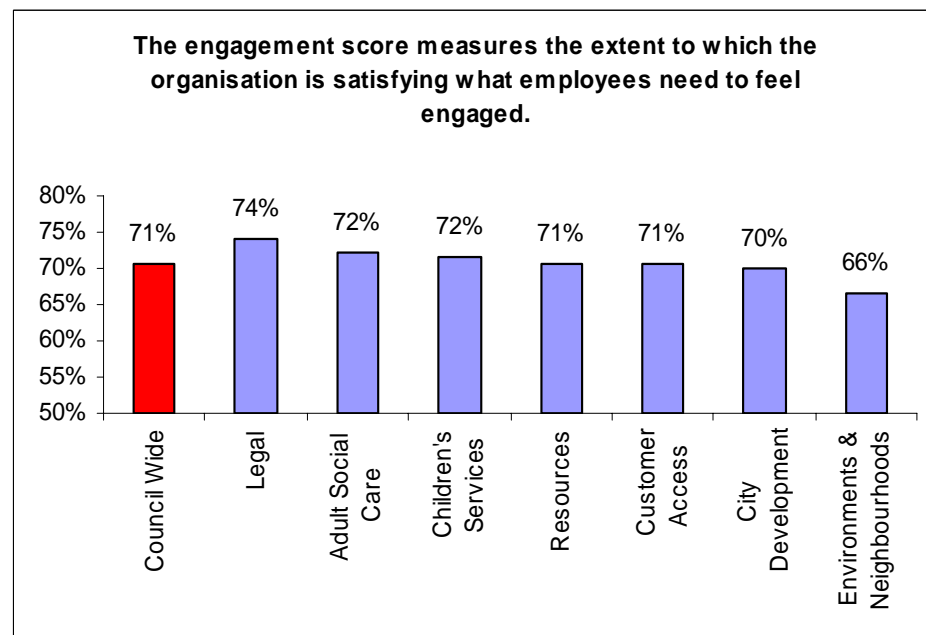
A council-wide performance target is to be proposed to Best Council Board for 2012/13 against which progress can be RAG rated in a more measurable way, based on the survey engagement measure - Green: more than 73%; Amber: 68%-73% inc.; Red: less than 68%. A 2% point increase from their 2011/12 baseline position will become each directorate's 2012/13 target.

Key Findings – The November 2011 survey provided a set of baseline data regarding: a) response rates (39% council-wide); b) engagement levels (overall and in relation to specific areas relating to the four 'engagement drivers' (the graph shows the overall engagement score by directorate).

In December 2011, CLT agreed three main areas for improvement council-wide: 1. Fully embed the 'Connected Leaders and Managers' expectations; 2. Quality two-way communications; 3. Managing change

These findings were presented to directorate leadership teams during January 2011, and work has continued within directorates to develop tailored actions plans, the effectiveness of which will be monitored through the regular quarterly surveys during 2012. The survey results have been communicated to staff through a variety of media (colour posters displayed in work locations, a dedicated intranet page, discussions at team meetings etc). Feedback indicates that these different methods have generally been well received, although work is still required within directorates to continue the communication of outcomes/actions to be taken. One potential factor affecting response rates was a concern expressed from some services around anonymity/confidentiality. Although data were only analysed down to the chief officer level (i.e. so no individual could be identified), the survey responses were linked with SAP payroll records to facilitate analysis of results by the key equality indicators. The Q1 and Q2 surveys will therefore be undertaken completely anonymously, to identify whether this has any impact on response rates (the approach will then be reviewed prior to the Q3 survey). A 'lessons learned' report was presented to Best Council Board in February 2012, which has resulted in some further operational changes to the survey administration to try and increase response rates.

Analysis by equality strands – An update on the November 2011 Survey results and equality analysis was provided at the Equality and Diversity Board and the Equalities in Employment Project Group. Further analysis work has commenced to understand if there are any particular drivers/questions which had low performance scores or gaps. HR is working closely with the staff networks to understand and analyse the results in more detail.



What we did

- Evaluated ways in which the response rate (39%) could be increased, including presenting a 'Lessons Learned' report (from the November 2011 survey) to Best Council Board. This resulted in changes to the Q1 2012/13 survey process:
 - made the engagement survey anonymous on return, to address concerns expressed about confidentiality
 - removed the requirement to 'log on' to the online survey with complex password/personal IDs, and removed the 'personalised bar code' on paper surveys to make survey administration easier. Also resolved some problems with email addresses
 - kept the survey communications 'live' on the intranet portal to maintain awareness
 - 'branded' the postal envelope to make the survey stand out from normal mail
 - Developed specific guidance for managers to increase participation amongst non-office-based staff (i.e. non PC users)
 - shared the results of the survey at all levels of the organisation to ensure participants believe 'something happens' as a result of completing surveys (through tailored communications to directorate leadership teams; posters, targeted at all work place locations; email and internet communications [including dedicated intranet page]; Trade union meetings
- Held an HR engagement/culture change event to develop the three key engagement themes (embedding the 'Connected Leaders and Managers' expectations; Quality Communications; Managing Change) and links with directorate and corporate Investors in People action plans
- Establishment of an HR Engagement Champions group to facilitate and embed engagement work within directorates so it is truly owned by line managers
- Developed an appropriate sampling method for the quarterly surveys (based on one quarter of the workforce)

What Worked Locally /Case study of impact - All directorates are implementing a range of tailored activities to improve levels of staff engagement, including: a) communication/engagement events led by directors and chief officers; b) developing engagement action plans within services; c) focus groups and team meeting discussions to supplement the quantitative survey data with more qualitative information; d) incorporating engagement 'scores' into appraisal discussions; e) review communication methods within a directorate and identify any links with engagement results to identify 'what works'; f) working with staff networks corporately and locally within directorates to review the engagement results alongside the different equalities indicators.

New Actions

- Carry out the next quarterly survey (Q1 2012, to be launched May 2012) to evaluate the impact of engagement activities
- Review impact of 'anonymising' the survey (e.g. on response rates)
- Agree future reporting arrangements (CLT, Best Council Board, staff, directorate leadership teams, trade unions etc) for results of Q1 survey (and thereafter) to ensure the results are disseminated more quickly to all levels of the organisation
- Report for consideration by Best Council Board for proposals to implement an 'employee panel' to mirror the arrangements in place for the Citizens' Panel.
- Continue to work with the 'Digital Divide' exercise to maximise the numbers of staff who can access the staff survey electronically
- Analyse the qualitative information emerging from team meetings, focus groups etc, to implement further improvement actions
- Use the forthcoming appraisals to really embed the 'Living our Values' behaviours
- Review the anticipated benefits of the 2012 Q1 and Q2 survey approach compared to that used previously in the all-staff November 2011 engagement survey (i.e. the benefits of 'anonymising' the responses, and carrying out regular quarterly surveys with only one quarter of the workforce each time alongside the desire to review engagement levels across the different equality groups, which would require greater sample sizes and linking survey responses with equalities data).
- Identify comparable external benchmark data on response rates (as 'engagement scores' are not really comparable given different aspects are measured by different organisations), with contact then made with those organisations with higher response rates to identify areas of 'best practice'.

Data Development - Work is being undertaken to increase the number of staff who can participate electronically in the survey to try and overcome the 'digital divide' problem (for example, incorporating alternative work email addresses into the database; setting up the 'Talking Point' technology so it can be accessed, securely, from home PCs rather than through LCC log-ins/LCC intranet.

Work is also underway to reduce the number of people for whom their equalities data is listed on SAP as 'unknown'

Risks and Challenges – Insufficient time since the last engagement survey to really embed and monitor improvement actions implemented since December 2011 could result in lower engagement and responses to the Q1 2012 survey (May 2012) due to staff not seeing significant improvements/changes/actions.

There is a risk that managers may not fully use the opportunity offered by the forthcoming appraisals to really embed the things that will drive up engagement levels (e.g. embedding the Living Our Values' behaviours through effective self-evaluation and feedback on performance against the Values).

Value: Working with communities

Priority: Local communities are consulted about major changes that may affect their lives.

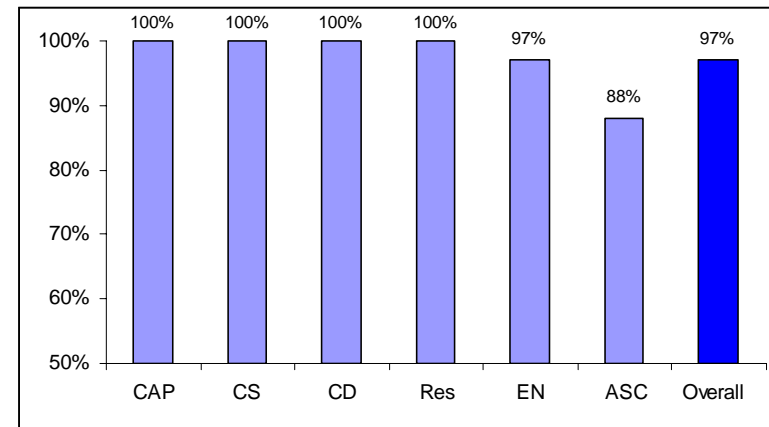
Why is this a priority - At a time when resources are limited we need to make sure we are providing the services that the public need in the most appropriate way. By providing clear evidence of public consultation we can ensure communities are effectively able to influence what we do at corporate, service and locality levels. This helps us move from doing things *to* and *for* people, towards doing things *with* people.

Overall Progress
Green

Story behind the baseline

- Decisions continue to be closely scrutinised and challenged through the courts with any perceived weakness in the process - particularly around the quality and timeliness of public consultation targeted. We need to be confident that decision makers are able to make relevant decisions which are supported by clear evidence of public consultation that is timely and appropriate.
- The focus has continued in Q4 to develop the consultation indicator to ensure that it is relevant and meaningful and drives improvement. The first set of results are formally reported for Q4.
- Q4 results are positive, with 93 relevant reports passing the criteria, against just 3 fails. No Executive Board reports failed. Some contract extensions reports for community-facing services failed to provide evidence of user feedback as part of the decision to extend.
- A random 25% sample of the relevant decision reports were quality assured. This helps get a better understanding of the consultation process described by the report, and has allowed detailed feedback to go to directorates on areas for improvement.
- Areas for improvement in a minority of instances, which are being addressed through training and feedback include: to improve the detail in the impact consultation had on the final decision; to properly evidence what in reality was often excellent consultation and to improve the use the Talking Point system to give feedback on outcomes.
- Quality assurance shows that, compared to piloting of VAL3 in previous quarters of 2011/12, Q4 reports give a lot more detail on what user feedback has been sought and how it has influenced decision making. Report writers do however need to be clearer in stating if and why a decision has not required consultation evidence. In a few instances good evidence of consultation has been placed in section 3, but not referred to in section 4. The benefit of the doubt has been given this time, but will not be in future assessments. There are a few examples where information-giving has been described as consulting, which could be misleading to readers.

Headline Indicator: Every year we will be able to evidence that consultation has taken place in 100 per cent of major decisions affecting the lives of communities



What do people think In the 2010 research project into Effective Communications and Consultations, residents told us how they feel about getting involved and influencing decisions:

- 89% of respondents feel it is important to feel they can influence decisions about council services
- 28% are satisfied with being able to influence decisions about public service delivery in their area (24% are dissatisfied)
- 45% feel that there is no point taking part in council-run consultations, as decisions have already been made before people are asked
- 39% want to be more involved in decisions about council services that affect their local area

What we did

- Continued recruitment activities for the Citizen's Panel including a large mail-out targeted in areas of the city where numbers were low. Current numbers stand at approx 3500 with a target of 6000.
- Outline calendar of consultations for the Panel for 2012/13 has been agreed with planning underway for the first surveys in early summer.
- Finalised methodology for the consultation and equality indicator and agreed this with Best Council Board. With a way forward agreed for consultation 'grey areas' such as contract extension reports.
- Continued to provide feedback to report writers and officer workshops on using consultation to inform decision reports. c125 officers with report-writing responsibilities have attended this training.
- Further work to develop the Community Engagement Operating Framework has been carried out including agreeing aims/objectives, identifying quick wins and priority improvement projects.

New Actions

- Corporate Consultation Group continues to develop SharePoint Toolkit for those delivering consultation which will be launched on the new intranet by June 2012.
- First Citizens' panel newsletter to be issued in May including feedback on the first survey on the city's cultural offer carried out in January. Panel members will also be asked in this communication to recruit a friend.
- Finalise Community Engagement Operating Framework and delivery plan for the improvement work for 2012/13 which will give better guidance, support and tools for officers.

What Worked Locally /Case study of impact

- In summer 2011 a variety of creative approaches were used to consult over 2000 children, young people, parents and carers to identify 12 key priorities to make a positive difference to their lives, which are mapped against the 5 outcomes of the Children and Young Peoples Plan 2011-2015.

Data Development

- From Q1 2012/13 a firmer line will be taken on the need to clearly state in reports if and why a decision does not require consultation.

Risks and Challenges

- There are still challenges associated with community engagement in Leeds, including reducing financial resources which is impacting the way we deliver engagement, the need to improve the coordination and efficiency of activity, and to robustly give evidence of the impact community engagement has on the decisions we take.
- National legislation on the use of consultation is changing. The emerging impact of the Localism Act, and new legal interpretations of the term 'consultation' are also important challenges going forward. The Localism Act and resource pressures make it likely that the council will need to allocate more effort and resource to empowering communities to act for themselves in the future.

Value: Treating people fairly

Priority: Equality is given due regard in council policy and decision making.

Why is this a priority - We are committed to ending unlawful discrimination, harassment and victimisation and to advancing equal opportunities and fostering good relations. In order to achieve this we need to ensure that equality and diversity are given proper consideration when we develop policies and make decisions. By providing evidence that we have done this for our most important decisions, we can be sure that we are meeting our legal and moral obligations.

Overall Progress
Amber

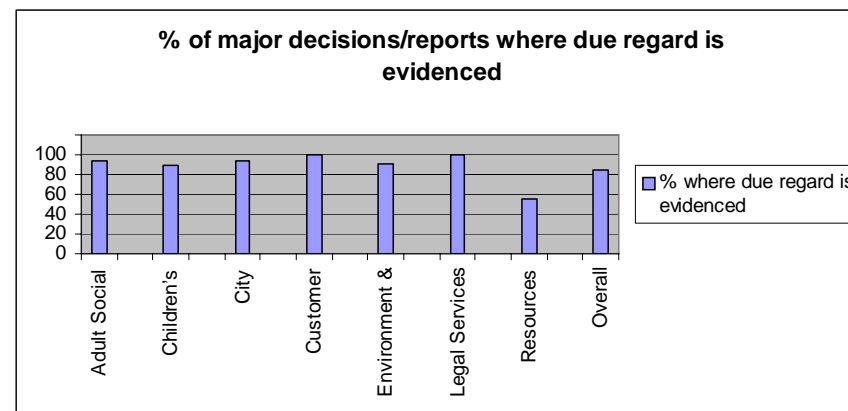
Story behind the baseline

The new guidance on report writing which included due regard to equality was introduced from 1 September 2011. This included the need to explicitly reference screening and/or equality impact assessments and their outcomes in decision making reports. Following the testing of the indicator and feedback from Directorates, a revised criteria and a new methodology to collate relevant data was agreed by Best Council Board in February 2012. The new criteria and methodology has been applied retrospectively to all Q4 key and major decision reports and Executive Board reports where a decision was required.

A full quantitative analysis has been undertaken of the 116 key, major and Executive Board reports which fall within scope for this indicator, 85% (99) reports met the criteria with 15% (17) not including sufficient evidence to meet the specific criteria for this indicator. The Directorate breakdown of reports that met the criteria is; Adult Social Care 94%, Children's Services 89%, City Development 94%, Customer Access and Performance 100%, Environment and Neighbourhoods 91%, Legal Services 100%, Resources 55%.

Headline Indicator: Every year we will be able to evidence that equality issues have been considered in 100 per cent of major decisions

Result for Quarter 4: 85%



There has been significant improvement across all directorates on evidencing due regard to equality. However, there are still some areas for improvement that have been identified. These are explicit reference to due regard to equality in decision making reports using the new criteria and methodology and also how this is being picked up and challenged in the report signing off process. In addition there are some reports which do not to provide sufficient explanation of why a decision has no relevance to equality.

Communication targeted at report writers across directorates needs to continue and improved directorate report clearance processes put in place. This was a new indicator for 2011/12 and the methodology and the report writing guidance has taken time to be adopted and embedded. However it is anticipated that the improvements will continue and at this rate of progress the target will be met at Quarter 1 2012/13.

What do staff think: Treating People Fairly was the most important value for staff in the employee engagement survey 2011. Further work is being undertaken to explore this through the Employee Engagement Group and Equalities and Employment project group.

What we did

- Criteria for this indicator was reviewed following directorate feedback at Q2 and Q3. A new methodology was introduced and the responsibility of matching reports against the agreed criteria transferring to Customer Access and Performance. New criteria and methodology was agreed and supported by Best Council Board.
- 77 staff from across Directorates have been trained as part of an on-going programme of due regard to equality workshops provided by the Equality Team, In addition, targeted workshops on due regard to equality and consultation within decision making held with staff from Environment and Neighbourhoods, City Development, Adult Social Care, area locality teams and legal services.
- A workshop on due regard to equality was held with Third Sector Leeds partners in March 2012.
- As identified in Q3, Design and Cost report templates and guidance were amended to capture due regard to equality considerations.
- Immediate feedback and support provided on EIAs and screenings when requested by directorates.
- All EIA's and screenings continued to be sense checked by the Equality Team before they are published.

What Worked Locally /Case study of impact

New Actions

- Deliver the due regard to equality briefings to all Members - Q1(2012/13).
- A qualitative analysis of a 25% sample of reports within scope will continue to take place and feedback provided to Directorates. Q1(2012/13).
- Further strengthen the report writing guidance – Q1(2012/13)
- Work with Corporate Governance to understand any impacts of the changes to the Council's decision making framework on the methodology for this indicator and identify any potential risks.

Data Development

- Consideration is given to adding a qualitative aspect to the headline Indicator to ensure that due regard to equality is being given and being given well so as an organisation we are confident we are meeting our legal duties.

Risks and Challenges:

Failure to evidence that due regard is given in decisions and policy making can result in:

- legal challenges eg in the form of judicial reviews, which can be costly and time consuming;
- negative national publicity impacting on reputation;
- undermining relationships with local communities;
- wasted officer and member time.

Value: Spending money wisely

Priority: All directorates deliver their budget action plan and stay within their approved budget

Why is this a priority - The financial climate we are in is challenging. Our funding from government is reducing and we have greater demands on our services. Through our budget-setting process we have developed a plan to manage with less, including doing things more efficiently, reducing the size of the council and changing the way services are delivered. It is vital that we stick to this plan and that all council services stay within their agreed budget and deliver on their budget action plans

Overall Progress
GREEN

Story behind the baseline

The 2011/12 budget represented a major financial challenge for the Council, and the loss of government grant plus pressures on spending resulted in the Council needing to identify around £90m of savings.

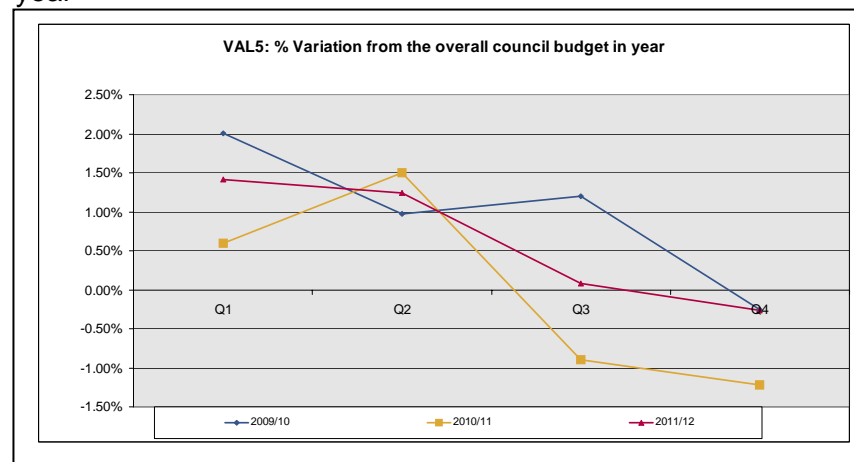
Overall, the Council has demonstrated its agility in responding to the challenge, and the chart shows how the projected overspend reported to Executive Board has reduced during the year.

The outturn position is an underspend of £1.5m as detailed in the table. This represents a variation of just 0.26% of the approved budget.

The main issues contributing towards the provisional outturn position are:

- Adult Social Care - although budgeted procurement savings for residential accommodation have not been achieved in the current year, this has been partly offset by savings on placement numbers in the independent sector, which have averaged 5 per week below the budgeted number. External funding of £6.2m has also been received from the health authority for investment in social services.
- Children's Services – the main pressure on the budget has been around the high number of looked after children and in particular the externally provided residential and fostering placement budgets. These pressures have been partly offset by other savings across the directorate and the allocation of £2m transitional funding from NHS Leeds.
- Income and other pressures – as a result of the economic climate, some areas of income continue to fall short of budgeted levels, mainly relating to planning and building regulation fees, car parking, and advertising. In addition, there is an overspend £0.6m on the voids budget whereby City Development maintain and secure buildings on behalf of all directorates once they are declared surplus to requirements.

Headline Indicator: No variation from agreed directorate budget in the year



	Budget £m	Outturn £m	Variation £m
Adults	178.4	177.8	- 0.6
Children's	129.1	129.0	- 0.1
City Dev	71.9	74.2	2.3
Environment & N'hoods	88.9	90.0	1.1
Central & Corporate	62.5	61.9	- 0.6
Directorate Total	530.8	532.9	2.1
Strategic	51.4	47.8	- 3.6
Total	582.2	580.7	- 1.5

What do key stakeholders think: Last autumn Leeds residents gave their priorities for the council's budget in the 'Spending Challenge' consultation. This process ensured that the views of the public were reflected in the difficult decisions that faced the Council about how we could save £150m over the next four years. Nearly 2500 responses were received with priority given to protecting frontline services and the most vulnerable people in Leeds. This summer children and young people told us their priorities for the future as part of the Child Friendly City consultation. The Council's Initial Budget Proposals for 2012/13 were the subject of public consultation via the internet site and a very limited number of responses were received. These comments, in addition to responses received from two Scrutiny Boards, the Third Sector and the Youth Council, have been incorporated into the final budget report.

What we did

- Throughout the year directorates continued to identify and deliver budget action plans. Budgets were reviewed on a line by line basis and spending freezes implemented on areas of non essential spend where appropriate.
- In recognition of the significant role the health service plays in social care, NHS Leeds has allocated £8.2m of funding to support the Council in these matters and is working closely with the Council to deliver improved outcomes.

A number of actions were taken corporately to increase reserves:

- the Council was successful in a VAT claim which increased the general reserves position by £8.4m as at the end of 2010/11. Although some of this sum has been used for the Early Leavers Initiative, the remainder will be used to mitigate against some of the spending pressures in 2012/13.
- Capital Financing costs are £3.2m less than the budget due to the Council taking advantage of the continuing low short term interest rates.

What Worked Locally /Case study of impact

- Purchasing hubs have been created for the centralised purchasing of consumables and changes to the Council's ordering system have been made to minimise off contract spend and ensure that the use of negotiated contracts are maximised.

New Actions

- Following consultation with the external auditor, it has recently been confirmed that the instalments of the New Homes Bonus should be accounted for on an accruals basis rather than on a cash basis. This means that additional income of £5.3m has been brought into 2011/12. This is a timing issue and does not affect the total amount to be received through the bonus scheme.
- A number of earmarked reserves have been requested for approval by Executive Board where it was not possible to complete priority schemes in the current financial year.
- The 2012/13 Budget was approved by Council in February 2012. Work is ongoing to prepare a budget strategy to cover the next 4 years.

Data Development:

- Improvements have been made to the budget holder FMS projections module to ensure that accurate financial data is received in a timely manner and these will be rolled out early in the new financial year.
- A standardised staffing cost report is being developed to reduce manual input required in preparing staffing projections.

Risks and Challenges:

The Council prepares and maintains a financial risk register which provides details of risks and consequences, existing controls to mitigate against these, the value in monetary terms, review dates and progress towards managing the risks. The register is prepared before the start of each financial year and is monitored on a regular basis. At the start of the year, the budget risk register showed there were 3 very high risks and 10 high risks. All risks have been closely monitored throughout the year and have managed within the overall resources available to the Council.