

Management Culture – Maximising Resources - Action Plan

City of Edinburgh Council

20 September 2007

Purpose of report

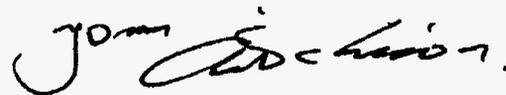
- 1 To present an action plan in relation to budget management processes as previously requested by the Council in the report to Council titled "Management Culture – Maximising resources", 23 August 2007.

Main Report

- 2 At the Council meeting on 23 August 2007, it was agreed that a report should be brought within one cycle setting out a specific and measurable action plan for implementing the initiatives to ensure that Council managers properly and rigorously monitor and control budgets in accordance with the Council's financial regulations.
- 3 A detailed action plan has been prepared and is attached as Appendix 1. This sets out the tasks, outcomes, the officer to whom responsibility has been assigned, and an estimated timescale. The implementation of these actions is subject to ongoing monitoring.
- 4 I note below the key objectives for the attached action plan which are to:-
 - embed a consistent approach to benefits and efficiency realisation across all council transformation programmes;
 - improve the quality of financial management information for all council budget holders;
 - provide managers, through training, with the appropriate knowledge and skills required to effectively manage budgets;
 - achieve a culture of 'corporate responsibility' for departmental budgets through the introduction of a CMT peer review process;
 - improve managers' individual accountability for financial and people management through embedding an effective performance management system and culture council-wide; and
 - reduce costs associated with high turnover and costly redundancies.
5. Collectively, I believe that the actions detailed in this report will specifically raise standards across the Council in budget management and will, in general, improve resource management arrangements.

Recommendation

6. That the Council notes the attached action plan.



Tom Aitchison
Chief Executive

12/09/07.

Appendices	Action Plan
Contact/tel	Karen Kelly/Christine McFadzen: 0131 469 3184
Wards affected	None
Background Papers	Report to Council meeting of 23 August 2007

MANAGEMENT CULTURE – MAXIMISING RESOURCES ACTION PLAN

Report Ref	TASK	OUTCOME	RESPONSIBILITY	TIMESCALE
	Efficiency Programme			
2.6	Establish an 'Edinburgh Approach to realising benefits and efficiency'	Embed standards across all appropriate programmes.	Directors of Corporate Services / Finance	December 2007
2.6	Establish overarching governance arrangements for transformation programmes.	The planning, delivery, benefits realisation/ efficiencies are all co-ordinated in a streamlined fashion. Embed Price II Methodology.	Directors of Corporate Services / Finance	December 2007
	Financial Management			
3.9	Realignment of budgets	To have detailed budget lines more fully aligned with the actual incidence of expenditure and income which will make budget monitoring reports from the Oracle ledger more meaningful to budget managers and Finance. (will continue as an ongoing process)	Senior management teams supported by Principal Finance Managers	End September 2007
3.10	Training in revenue and capital budgeting	a) To provide training materials and deliver separate courses for budget managers. b) Implement financial training modules within the Council Leadership and Development Programme	Financial Services Council Leadership and Development	End August 2007 (complete) Began September 2007

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3.15	Departmental financial monitoring reports submitted to new committees	<p>A standard format is approved for departmental financial management reports which are:</p> <p>a) presented to senior management teams on a monthly basis;</p> <p>b) presented to the relevant service committee.</p>	Principal Finance Managers	<p>In place</p> <p>Sept/Oct according to committee cycle</p>
3.16	CMT peer review of departmental budgets	To have completed individual spotlight sessions for each department focussing on key risks, pressures and management actions.	CMT	<p>Sessions scheduled for:</p> <p>13 September</p> <p>27 September</p> <p>11 October</p>
3.19	Internal Audit review of budget monitoring arrangements	Internal audit report setting out the findings of the audit and making recommendations for improvement.	Chief Internal Auditor	End October
	Performance Management			
4.3	Objective setting to include financial and people management standards for all managers.	To achieve a consistent and effective approach to budget and people management. All relevant managers will have objectives specifically focussed on Financial and People management targets.	All Managers	Process began ends Nov/Dec 2007

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4.3	Carry out qualitative and quantitative audit process to measure the effectiveness of the Performance Review & Development (PRD) system across Council.	Embed the PRD appraisal system (excluding teachers) across the Council and improve individual performance. Focus on continuous improvement and achievement of key strategic goals.	Council Leadership & Development	Audit Dec 2007 Findings Published January 2008
4.3	Implement departmental action plans based on employee attitude survey results and IIP internal reviews	Achieve IIP re-accreditation Improvement in employee attitude survey results in next Council-wide survey Improve "people development" and involvement across the Council.	Directors Directors	March 2008 November 2009
4.5	To instil a high Performance Culture	Train management within their respective management levels all key management skills.	Council Leadership and Development	April 2007 Programmes began
	Workforce Planning			
7.2	Develop a workforce planning framework which seeks to match budget to structure, to highlight future shortages, surpluses and competency gaps and develop action plans to build relevant skills and capacity.	Cut costs associated with high vacancies and turnover and reduce costly redundancies. - To propose methods of reducing costs of redundancy. - To implement, as part of e-HR, a process to manage work time planning.	Head of HR	November 2007 November 2008