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Iain Phillips Chief Executive

6th June 2006

Dear Councillor,

I hereby give you Notice that a Meeting of the **POLICY AND STRATEGIC DEVELOPMENT COMMITTEE** will be held in **the COUNCIL CHAMBER, CIVIC CENTRE, CROOK** on **WEDNESDAY, 14th JUNE 2006** at **6.00PM**.

AGENDA

- | | Page No. |
|---|------------------------------|
| 1. Apologies for Absence. | |
| 2. To confirm the minutes of the special meeting held on 27 th February, and the ordinary meeting held on 5 th April 2006 as true records. | Copies previously circulated |
| 3. To consider the draft Joint Procurement Strategy for Teesdale and Wear Valley District Councils. | 1 - 27 |
| 4. To consider the revised Human Resources Strategy. | 28 - 54 |
| 5. To consider proposals for the SIMALTO grid for the 2007/08 budget setting process. | 55 - 64 |
| 6. To consider progress on identifying and managing the risks within the Corporate Development Department. | 65 - 69 |
| 7. To consider such other items of business which, by reason of special circumstances so specified, the Chair of the meeting is of the opinion should be considered as a matter of urgency. | |

Yours faithfully

Chief Executive

Members of this Committee : Councillors Mrs. Brown, Ferguson, Foote Wood, Gale, Grogan, Hayton, Mrs Jones*, Kay, Kingston, Laurie, Mews, Murphy*, Nevins, Perkins, Stonehouse, Townsend and Zair.

*ex-officio, non-voting capacity.

Chair : Councillor Stonehouse

Deputy Chair : Councillor Kay

TO: All other Members of the Council for information.
Management Team.

**POLICY AND STRATEGIC DEVELOPMENT
COMMITTEE**

14 JUNE 2006



Report of the Chief Executive
JOINT PROCUREMENT STRATEGY

purpose of the report

1. To submit for approval the final draft joint Procurement Strategy between Teesdale and Wear Valley District Councils.

background

2. The joint Procurement Strategy has been produced in line with the guidance provided by the government's National Procurement Strategy, which states that each Authority should have "a clear procurement strategy". The document also takes account of the recommendations in the report by Sir Ian Byatt 'Delivering Better Services for Citizens'.
3. Policy and Strategic Development Committee approved the Project Initiation Document (PID) for the joint corporate procurement pilot between Wear Valley and Teesdale District Councils that included the Procurement Project Plan. This document stated that both authorities would have a joint Procurement Strategy approved by end of first quarter 2006.
4. The Strategy is also a key element of our plan to improve our Use of Resources score for which the Council received an assessment in 2004/5 of two, which is a minimum standard.
5. In addition, the Audit Commission annual inspection letter for March 2006 makes reference to introducing corporate processes for assessing and improving value for money, for example implementing strategic procurement strategies and undertaking benchmarking and unit cost annually on net cost of services and goods.

strategy

6. The joint procurement strategy is designed to set out an approach for delivering significantly improved processes for getting effective value for money from revised and improved procurement processes in both Teesdale and Wear Valley Councils.
7. The document sets out a strategic approach to achieving the sought process and cost improvements with a detailed action plan. The action plan is designed to help achieve an improved score for the Use of Resources block of CPA assessment and the health check on milestones for the National Procurement Strategy.
8. By adopting the strategy and implementing the associated action plan, both Councils should be able to improve their collective and individual procurement arrangements, conduct purchasing operations more efficiently, deliver improved value for money and hopefully improve the public's perception of them as an efficient organisation. Achieving each of these objectives should also make a positive contribution to the scores in our Use of Resources Assessment that are affected by procurement and value for money arrangements.

conclusion

9. The proposed joint Procurement Strategy if adopted, will make a positive contribution towards meeting the National Procurement Strategy Milestones. It will also improve the way in which the Council gets value for money from its procurement processes and it will address some of the key points depicted in the Annual Audit and inspection letter.

RECOMMENDED

10. It is recommended that the Policy and Strategic Development Committee approves the final draft joint Procurement Strategy attached at Annex A.

Officer responsible for the report

John Docherty
Chief Officer, Corporate Development
Ext 306

Author of the report

Julie Warnett
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JOINT PROCUREMENT STRATEGY

FOR

TEESDALE AND WEAR VALLEY DISTRICT COUNCILS

Responsible for Strategy	Management Support Unit
Date	May 2006
Issue Level	Draft
Issue Number	3

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1 Foreword

This foreword is presented by Elected Members and Senior Officers of Teesdale and Wear Valley District Councils to demonstrate our shared commitment to achieving efficiencies through continuously improving procurement processes.

Statement by Councillor Ken Robertson – Leader of Teesdale District Council

Procurement has never been more important to the Council as we continue to demonstrate value for money. In our strategy we are mindful, not only of the need to work collaboratively with other Councils but also to ensure that we engage with our local suppliers to ensure we develop a sustainable economy.

Procurement is much more than purchasing goods and services, as set out in this strategy, it is a holistic approach which will enable us to meet our corporate objectives.'

Neil Stonehouse - Leader of Wear Valley District Council

The procurement of goods, works and services is a high value activity within both Councils and has a critical impact on the performance and success. This revised procurement strategy sets the framework in which both Councils will work to ensure that purchasing fulfils the requirements of best value across all services and directly contributes to the achievement of the Councils corporate aims and objectives.

Members and Officers who implement procurement decisions need to work within the guidelines of the strategy with full commitment to the role of strategic procurement in helping us to make life better in our community. This revised Procurement Strategy has been compiled after consultation with procurement practitioners, heads of service and other key personnel. It seeks to address the most critical elements of what is involved and to provide a route for achieving value for money.

The strategy demonstrates our commitments to ensuring that we attain all procurements correctly, by supporting the people involved in procurement decision making and by ensuring that they have the right tools to do the job. It also sets out how we plan to work more closely with our communities and how procurement will contribute to developing local economies.

Statement by Iain Philips - Chief Executive of Wear Valley District Council

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Sue Reay - Director of Corporate Services Teesdale District Council

Teesdale and Wear Valley District Councils are committed to working together on a joint approach to procurement. This procurement strategy will underpin the joint working and sets out targets for how we will work together to deliver the National Procurement Strategy.

This collaborative approach takes into account the need for Wear Valley to press ahead with some innovations in procurement, such as purchasing cards and fuel cards, but takes into consideration the opportunity for Teesdale District Council to share in the learning and benefit from the outcomes. We have found this approach extremely helpful and takes account of the capacity issues at Teesdale.

This is an exciting project for both Councils and will lead to real improvements and provide both with the opportunity to make cost savings through joint procurement and to demonstrate value for money in our approach to future procurement of goods and services.

This strategy is supported and commended for adoption, by Wear Valley and Teesdale Procurement and Efficiency Champions.



Councillor Mrs June Lee
Procurement and Efficiency Champion
Wear Valley District Council



Councillor Armstrong
Procurement Champion
Teesdale District Council

2 Introduction

2.1 What is procurement?

Procurement is the process of obtaining supplies, services and works spanning the life cycle of the asset or service contract. 'Life cycle' is defined as being from the initial definition of the business need through to the end of the useful life of the asset or service contract.

The term 'procurement' has a far broader meaning than that of purchasing, buying or commissioning. It is about securing services and products that best meet the needs of users and the local community in its widest sense. This strategy provides a common framework within which all procurements by the councils are to be managed.

Teesdale and Wear Valley District Councils will procure the best value for money supplies, services and works by:

- adopting the life cycle approach to the assets or contract where appropriate
- applying effective and up to date procurement activities
- ensuring procurement helps deliver the councils key corporate objectives

2.2 Background

Teesdale and Wear Valley District Councils spend millions of pounds per annum on external provision of goods, works and services. Effective procurement arrangements are fundamental to achieving organisational success for both District Councils.

All procurement activities must comply with contract standing orders and financial regulations, currently under review as at April 2006 at Wear Valley District Council and will be reviewed throughout the financial year 2006-07 at Teesdale District Council, both must demonstrate Best Value.

Both Authorities have established separate Procurement Working Groups (PWGs) to develop procurement across all departments, to report on performance and to build more effective corporate procurement arrangements. The PWGs will provide leadership in the area of procurement activity and seek to improve corporate procurement performance.

This Procurement Strategy has been produced in line with guidance which states that each Authority should have 'a clear procurement strategy' and also takes account of the recommendations in the report by Sir Ian Byatt 'Delivering Better Services for Citizens: Local Government Procurement Taskforce' (June 2001) and the joint response to this report by the ODPM and the LGA : 'Towards a National Strategy for Local Government Procurement' (July 2002). A summary of these recommendations is included in Appendix A.

This strategy will also provides guidance to achieve efficiency gains across both Councils as recommended in the Gershon Review.

Overall, this joint Procurement Strategy sets out a framework for ensuring that both Councils can demonstrate continuous improvement and Best Value in the effective procurement of current and future requirements and that procurement contributes to the achievement of both Teesdale and Wear Valleys Corporate Strategies.

Both Councils will continually review the strategy against contemporary Best Practice and when necessary, amend the strategy and supporting procedures to continually improve the effectiveness of our procurement activities.

The timescale for the review period will be every two years for the procurement strategy and the procurement action plan will be monitored and reported to Policy and Strategic Development on a quarterly basis.

3 Vision and Aims of the Strategy

3.1 Our Vision for Procurement is:

To work collaboratively with partners and public bodies to implement efficient and cost-effective procurement practices that achieve Value for Money expended on goods and support the Authorities' Strategic Objectives including corporate social responsibilities.

3.2 The purpose of this strategy is:

- To promote value for money through partnership and collaborative arrangements wherever possible
- Encourage 'Joint procurement' between Wear Valley and Teesdale District Councils wherever appropriate.
- Ensure that procurement planning and practice supports the councils Corporate Strategies, aims and objectives.
- Encourage long-term thinking and commitments to a strategic approach to procurement issues.
- Secure member and officer commitment at all levels throughout the authority to achieve the principles of Best Value.
- Provide greater visibility of the procurement function and its performance.
- Develop skills and provide support for staff involved in procurement across both Councils.
- Set the framework for the development of a corporate 'Procurement Best Practice Guide'
- Ensure that the principles of sustainability, economic development and equality are promoted, as appropriate, in all procurement activities.

3.3 Joint Approach

There are a number of similarities between Wear Valley and Teesdale District Councils. To develop a joint procurement strategy and forward plans simultaneously (using a shared resource), both Councils will realise benefits by achieving economies of scale and the common approach will assist local business to engage with either or both authorities.

The principles behind the common approach are:

- Both Councils have similar objectives in developing services to meet the needs of their citizens.
- Both areas have similar demographics and face similar challenges.
- The Authorities recognised their own lack of overall resources and identified the efficiency of operating a joint arrangement.
- Encouragement and financial backing from the North East Regional Centre of Excellence.
- The challenges in creating arrangements that fulfil expectations of both Districts are offset by the opportunity to ensure that both Council's procurement activity is carried out in a way that ensures that local interests are taken into account where appropriate.

4 The Approach to Procurement

4.1 Councils Current Approach

Both Councils recognises the importance of procurement in delivering their objectives. The procurement of goods, works and services is of strategic importance because it :

- Has a direct affect on the overall spend, savings, value for money and the cost of service provision for the people of Teesdale and Wear Valley.
- Contributes to the achievement of the corporate, departmental and service objectives.
- Directly affects delivery of services.

This Strategy is a working document and the Action Plan it contains will need to be updated if priorities are re-negotiated.

Both Councils operate in a devolved structure. Officers involved in specific procurement exercises must comply with “Standing Orders and Financial Regulations” and the Council’s Constitution to address “due diligence” issues.

4.2 Procurement Proposals

Procurement proposals will be considered in accordance with the Procurement Cycle shown in Appendix B. In this way, the Council will consider the resource and other implications of any procurement activity in terms of the elements of the cycle, ranging from identification of the need through to the review, then closure of an initiative or project.

4.3 The Procurement Plan

The Procurement Plan will include tasks and targets that will ensure that each of the 8 elements of the cycle are addressed in a timely manner appropriate to every procurement project carried out.

This approach will be adopted by both authorities and is considered to be a robust system for embedding procurement into the Council’s principal plans and monitoring systems.

At Teesdale and Wear Valley District Councils, the approach to building Capacity is embedded through the Performance Management Framework under which the section/departmental plans and targets and individual workplans are developed.

5 Procurement Policy

The procurement policy provides an overview of the joint approach taken by Teesdale and Wear Valley Council to the procurement of works, services and supplies to achieve our respective corporate objectives.

5.1 Where we want to be?

The Councils have developed a Plan, which includes a strategic Vision, Objectives and Priorities for the organisation. This plan has been established following consultation with residents and other stakeholders. It is recognised that, by taking a strategic approach to procurement, both Councils can take account of these aims in considering the options for procurement of commodities, services and works.

5.2 Procurement generally

Both authorities are committed to achieving the highest standards of quality in all of our services. They recognise that by developing, implementing, monitoring and managing a robust and relevant procurement strategy then the delivery of those services will be much more effective and efficient. In addition, both Councils recognise the importance of effective training and development to support the improvement of procurement capacity that will be needed to deliver this strategy and are committed to providing training and support when necessary.

The Government has established a need to achieve annual targets for improving efficiency and it is recognised that greater efficiencies can be delivered through more effective procurement arrangements. Both Councils will therefore ensure that they establish and maintain procurement arrangements that operate effectively and efficiently and can adapt to provide annual efficiency improvements where possible.

5.3 Procurement Principles

Procurement principles have been established that aim to support the councils core values and strategic objectives. Both councils have agreed to the following procurement principles and all staff will:

- Commit to meet the requirements of users of the services
 - Deliver Value for Money and operational efficiency
 - Comply with corporate plans and service plan aims and objectives
 - Commit to continuous improvement
 - Commit to quality, equality and diversity
 - Flexibly work to meet customers' requirements
 - Commit to environmental and economic sustainability
 - Seek to work collaboratively with partners wherever it will deliver efficiencies
- Continually review stock holding to minimise and reduce inventory costs.

5.4 Partnership

We acknowledge the importance of innovation and partnerships with the private and voluntary sectors, with other public bodies acting locally, and with central government itself in delivering Best Value.

We recognise the need to stimulate the market by the creative use of buying power.

The process of carrying out fundamental performance reviews will foster an open and constructive dialogue with all those involved or who may have something to offer from within the Councils themselves, or through partnership arrangements with the private and/or voluntary sectors.

We encourage the development of new and innovative methods or approaches to procurement that will deliver services more efficiently, effectively and economically.

5.5 Performance Management

A performance management framework has been introduced at both authorities that covers all services and activities. The system identifies the links between all of the Council's various plans and objectives and is used to develop individual service plans that ensure delivery is in accordance with the Community Plan and that resource issues are identified and addressed at the appropriate time.

5.6 Monitoring

By ensuring that adequate planning is part of the procurement process, we will ensure that adequate resources are identified and provided throughout the life of the procured arrangements to ensure that all arrangements achieve the declared objectives and deliver continuous improvement, efficiency and achieve best value for money.

5.7 Scrutiny

Each stage of procurement will be subject to appropriate consultation and scrutiny. These stages include but are not limited to:

- identifying need
- development of a business case
- deciding on a procurement approach
- supplier appraisal
- tender evaluation
- investment decision
- management of the contract
- evaluation of benefits.

The central management committee will receive regular reports on the implementation and review of this procurement strategy. Other committees including the scrutiny committee may review this strategy.

5.8 Review

Services already subject to direct competition will be continually reviewed against the requirements of this policy, to ensure that the manner in which the service is provided remains the most appropriate to deliver best value for money.

6 Proposed Arrangements for Procurement

6.1 Joint Project Officer - Procurement

A dedicated resource for the delivery of Strategic Procurement has been established. However, both authorities will continue to operate in a devolved structure for procurement activities with the Project Officer providing the framework by which the council can obtain best value in all the goods, services and works that it procures.

Teesdale and Wear Valley have a series of Plans and Strategies that have been developed to meet the Council's statutory and non-statutory responsibilities.

6.2 Corporate Procurement Board

The Corporate Procurement Board is to be established at both councils to consider procurement issues at a strategic level and to monitor delivery of the Procurement Plan included in this strategy.

The framework of these arrangements and the relationship between them and the Procurement Strategy is shown in Appendix C.

The Corporate Procurement Board will meet regularly and consider whether any procurement related proposals are sufficiently significant to be included in the Council's Corporate Procurement Plan.

6.3 Terms and Reference of Board

The terms of reference of the Corporate Procurement Board are as follows:

- To consider the impact of new and existing legislation relating to procurement on the Council's strategic plans
- To consider the impact of new and existing legislation relating to procurement on any specific proposals under consideration
- To monitor the application of the Council's Strategic Procurement Plan
- To oversee the development of the Council's Procurement Toolkit
- To consider the Training and Development needs of the Council relating to Procurement and other related issues.

6.4 Strategic fit

The Procurement Strategy maintains the link between the Corporate Objectives and individual Service Plans, Action Plans and all other Strategy Documents. Please see Appendix D showing the inter-operation between the Councils various Strategic Plans and Procurement Strategy.

6.5 Procurement Working Groups

Procurement Working Groups have been set up across both authorities to analyse procurement arrangements. Findings from these groups will be used to formulate a series of plans and policies that are linked to Procurement so that the most significant issues can be addressed.

7 Capacity and Skills

7.1 Human Resource Strategy

Both Council's Human Resource and Member Development Strategies will take into account the objectives of the procurement and corporate strategies in developing a structured approach to providing relevant staff with appropriate skills to carry out their roles in the organisation.

7.2 Procurement Toolkit

A procurement toolkit will be developed that will provide individuals involved in lower risk procurement exercises with sufficient information and advice to get the best out of the process.

7.3 Training and Skills

Both Councils are committed to the promotion of lifelong learning. It is essential that all members and officers involved in procurement throughout both Teesdale and Wear Valley District Council have the appropriate skills and competencies to provide a professional procurement service.

To support this both Councils will conduct an ongoing training need analyse for all Members and Officers involved in the procurement function throughout the council. This will assess their current procurement skills and identify areas for training if necessary.

8 Risk Management

Approach to Risk Management

Good Procurement Practice recommends using the “Risk Management Matrix” to assess procurement activities - particularly in relation to purchasing goods. The existing data available through the Annual Volume Value Analysis is to be supplemented by a regular spend analysis using Powerplay software.

Having developed a picture of all procurement activity, we will consider the position of each activity on the Matrix to assess whether action is appropriate to either minimise risk or to make changes to the way in which procurement is conducted to better serve the Council’s needs in meeting our Corporate Objectives.

Leverage procurements will be made to maximise the use of the council’s ‘purchasing leverage’ through internal co-ordinated purchasing, making use of consortia and other innovative solutions.

Bottleneck procurements will be considered to ensure that we are protected against provider failure, either through making parallel arrangements or by close supervision of suppliers.

Routine procurements will be streamlined to reduce procurement costs. We will consider the use of procurement cards, blanket arrangements and standing orders.

Risk

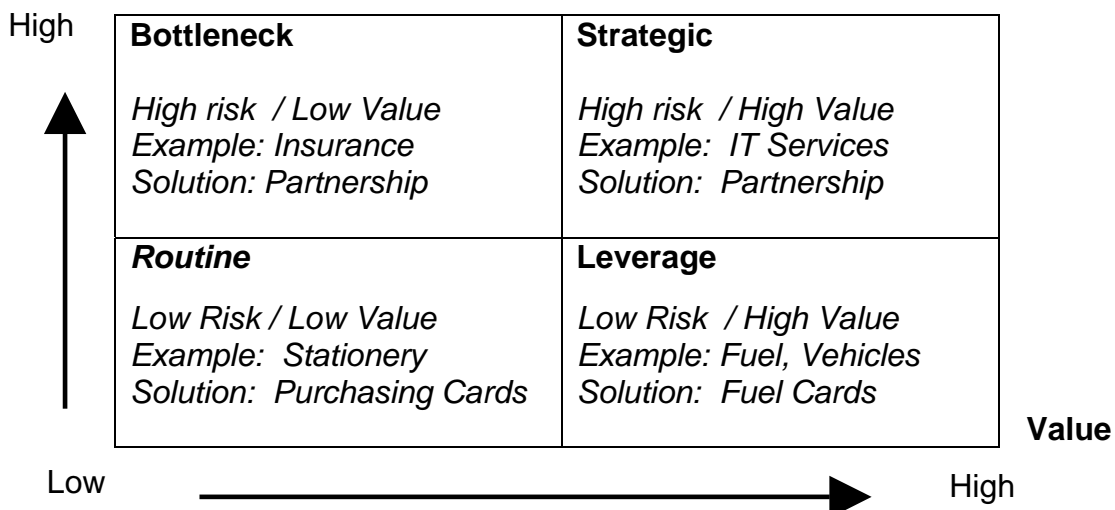


Figure 1: Procurement Risk Management Matrix

9 Performance Management and Key Performance Indicators

This strategy will monitor using procurement value for money and outcome focussed performance indicators as specified by the performance management framework.

10 National Procurement Strategy

Both Teesdale and Wear Valley District Councils will position themselves against the National Procurement Strategy (NPS) Milestones on a regular basis and update their strategy to comply with any changes made to the National Procurement Strategy.

11 Procurement Action Plans

Actions plans where formulated through joint analysis sessions via the Procurement Working Group at both Councils.

Procurement Exercise	Tasks	By Whom	June 2006	Sept 2006	Dec 2006	Mar 2007	June 2007	Sept 2007	Dec 2007	Mar 2008	Jun 2008	Sept 2008	Dec 2008
Undertake detailed analysis of expenditure	<ul style="list-style-type: none"> • Install Powerplay software • Conduct analysis of spend at Wear Valley District Council • Conduct analysis • Distribute directorate spend details 	<ul style="list-style-type: none"> • IT • Project Officer / Procurement Working Group • Principal Finance and Development Officer 	✓										
Produce a Procurement Guidance Toolkit/Manual	<ul style="list-style-type: none"> • Benchmark other toolkits • Develop guidance 	<ul style="list-style-type: none"> • Project Officer 		✓									
Rationalise and cleanse Supplier Database	<ul style="list-style-type: none"> • Using volume value data identify suppliers • Identify key suppliers • Develop an approved supplier listing • Limit application for 'new' suppliers 	<ul style="list-style-type: none"> • Project Officer • Procurement Working Group 			✓								
Develop procurement intranet	<ul style="list-style-type: none"> • Provide relevant procurement documents to Web Ste Manager • Add documents to intranet 	<ul style="list-style-type: none"> • Web site Manager • Project Officer 			✓								

Agree the performance indicators for procurement	<ul style="list-style-type: none"> Develop procurement performance indicators 	<ul style="list-style-type: none"> Project Officer Performance Imp Manager 	✓															
Procurement Exercise	Tasks	By Whom	June 2006	Sept 2006	Dec 2006	Mar 2007	June 2007	Sept 2007	Dec 2007	Mar 2008	Jun 2008	Sept 2008	Dec 2008					
Develop 'How to sell to the council' guide for both authorities	<ul style="list-style-type: none"> Develop guide Circulate through Authority Add to intranet/internet 	<ul style="list-style-type: none"> Project Officer Web Site Manager 		✓														
Introduce, monitor and evaluate the use of fuel cards to Wear Valley District Council	<ul style="list-style-type: none"> Develop cardholder guide Implement in pilot area Monitor and evaluate Roll out across authority 	<ul style="list-style-type: none"> Project Officer Procurement Working Group 	✓															
Introduce, monitor and evaluate the use of purchasing cards in pilot area at Wear Valley District Council	<ul style="list-style-type: none"> Develop cardholder guide Implement in pilot area Monitor and evaluate 	<ul style="list-style-type: none"> Project Officer Procurement Working Group 	✓															
Conduct a training needs analysis for both Councils	<ul style="list-style-type: none"> Identify key officers regarding procurement function Conduct a training needs analysis using competency framework 	<ul style="list-style-type: none"> Project Officer Human Resources 			✓													
Roll out purchasing cards across Wear Valley and Teesdale District Councils	<ul style="list-style-type: none"> Identify key areas of spend Evaluate spend Introduce and roll out purchasing cards across Teesdale District Council 	<ul style="list-style-type: none"> Project Officer Principal Finance and Development Officer 	✓															

Evaluate the use of eProcurement or online buying	<ul style="list-style-type: none"> Identify areas regarding eProcurement Options appraise 	<ul style="list-style-type: none"> Project Officer Procurement Working Group 		✓														
Develop Contracts register	<ul style="list-style-type: none"> Compile full contracts register 	<ul style="list-style-type: none"> Project Officer 	✓															
Procurement Exercise	Tasks	By Whom	June 2006	Sept 2006	Dec 2006	Mar 2007	June 2007	Sept 2007	Dec 2007	Mar 2008	Jun 2008	Sept 2008	Dec 2008					
Develop Procurement Internet - contract requirements, supplier guide	<ul style="list-style-type: none"> Supply relevant procurement information to Web Manager Update Internet site with information 	<ul style="list-style-type: none"> Project Officer Web Site Manager 			✓													
Health Check for both authorities	<ul style="list-style-type: none"> Conduct an Health Check across both authorities 	<ul style="list-style-type: none"> External provider 			✓													
Complete all relevant National Procurement Strategy Milestones	<ul style="list-style-type: none"> Review all milestones 	<ul style="list-style-type: none"> Project Officer 			✓													
Develop procurement plan	<ul style="list-style-type: none"> Identify procurement activities Develop Plan 	<ul style="list-style-type: none"> Procurement Working Group Project Officer 				✓												
SME concordat developed and embedded across both authorities	<ul style="list-style-type: none"> Analyse concordat Update relevant documents 	<ul style="list-style-type: none"> Procurement Working Group Project Officer 					✓											
Leverage procurement using collaboration and partnerships	<ul style="list-style-type: none"> Update partnership Database Analyse partnership arrangements 	<ul style="list-style-type: none"> Project Officer 				✓												

Analyse feasibility of reducing OJEU notices	<ul style="list-style-type: none"> Quantify OJEU requests for both Authorities 	<ul style="list-style-type: none"> Project Officer 						✓				
Update contracts register	<ul style="list-style-type: none"> Analyse data and update contract register 	<ul style="list-style-type: none"> Project Officer 						✓				
Update Corporate Procurement training	<ul style="list-style-type: none"> Update procurement training 	<ul style="list-style-type: none"> Human Resources Project Officer 							✓			
Review and Identify further improvements for procurement activities	<ul style="list-style-type: none"> Hold meetings with Procurement Working Group 	<ul style="list-style-type: none"> Procurement Working Group Project Officer 										✓

National Procurement Strategy – Milestones Progress Report

National Procurement Milestones 2004

2004 Milestones	Position at December 2005	Required action	By whom	By when
Procurement Strategy developed and owned by CX, Members and Officers, and regularly measured	<ul style="list-style-type: none"> ▪ Current Procurement Strategy to be reviewed ▪ Performance indicators to be included to ensure measurability ▪ Management, Executive, Members and Officers to be involved 	<ul style="list-style-type: none"> ▪ Review underway ▪ Indicators to be developed within strategy ▪ Workshop sessions with members for full participation and support 	JW JW JW/ Officers	June 06 June 06 Jan 06
Sets out the approach to partnering in construction & service delivery	<ul style="list-style-type: none"> ▪ Approach to be addressed in Procurement Strategy 	<ul style="list-style-type: none"> ▪ New strategy to include approach to Partnering 	JW	Jun 06
Sets out the council's approach to collaboration and the new trading powers	<ul style="list-style-type: none"> ▪ A draft protocol for joint working to be embedded into strategy 	<ul style="list-style-type: none"> ▪ Strategy to include protocol for joint working 	JW	Complete
Best Value Reviews or similar, should include a robust and challenging appraisal of service delivery models.	<ul style="list-style-type: none"> ▪ Community Safety and Planning BV reviews took place 2003 			Complete
Addresses workforce, sustainability & equality issues and helps achieve the community plan.	<ul style="list-style-type: none"> ▪ Need to ascertain issues relating 		Human Resource Dept /JW	Dec 06
How the council will encourage a diverse & competitive supply market (Supplier Guides)	<ul style="list-style-type: none"> ▪ Need sustainable contractor / client relationships ▪ Need a breakdown of how contracts are made up 	<ul style="list-style-type: none"> ▪ Develop Procurement Register ▪ Prepare action plan to encourage supplier market linked to procurement plan 		Ongoing
A compact is concluded with the local/voluntary sector	<ul style="list-style-type: none"> ▪ LSP in place (provides a network of partners) ▪ Tenants compact established 			Complete
A BV review of procurement in place or planned	<ul style="list-style-type: none"> ▪ Best Value review in Procurement carried out 2003 WV 	<ul style="list-style-type: none"> ▪ Complete 		Complete

National Procurement Milestones 2005

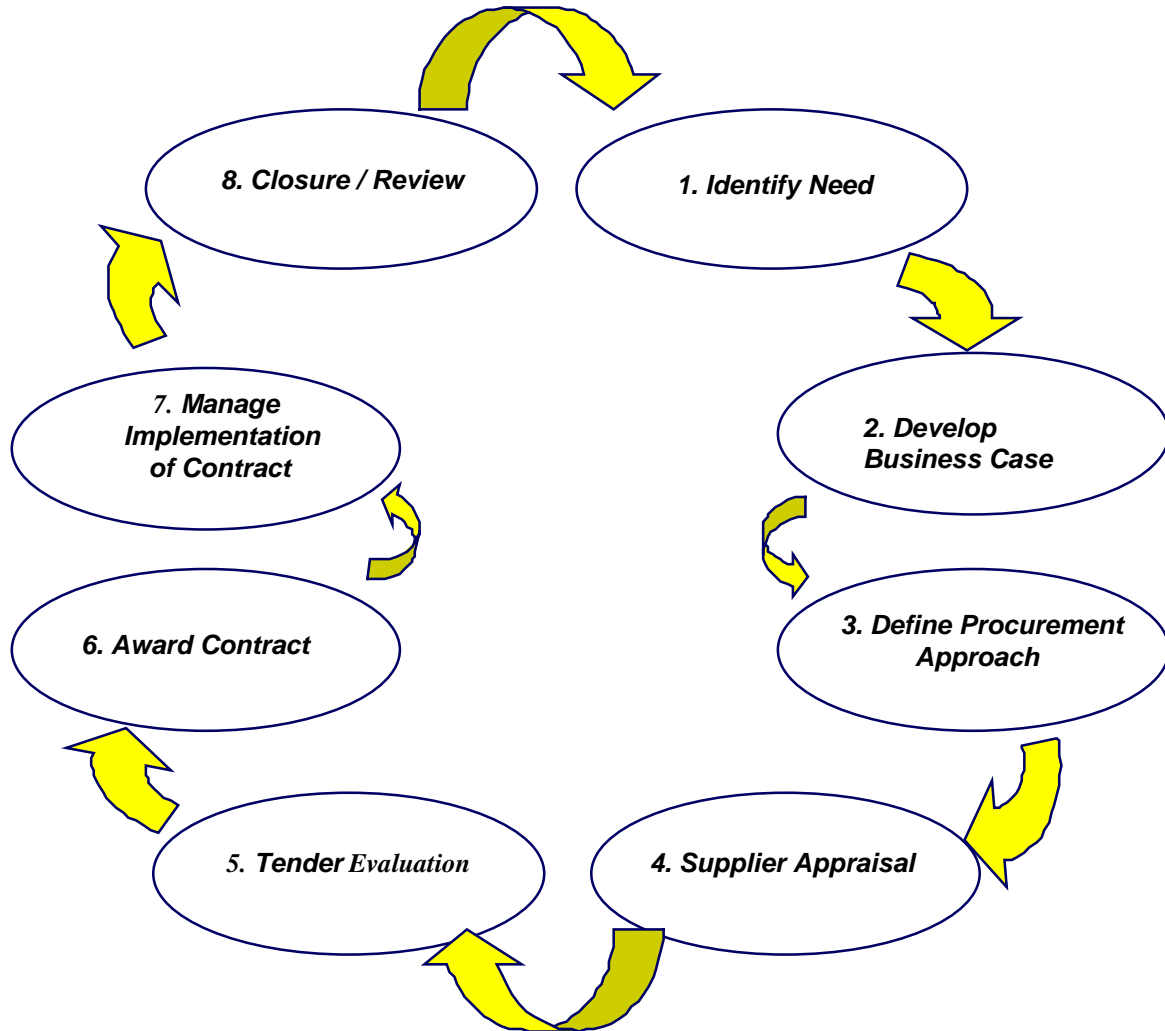
2005 Milestones	Position at December 2005	Required Action	By Whom	By When
Every single tier/county council should carry out a health check on progress against National Strategy.	<ul style="list-style-type: none"> ▪ Intrinsic work underway ▪ Health Check requested via NECE Jan 06 	<ul style="list-style-type: none"> ▪ Monitor and Review ▪ Progress with NECE 	JW	Dec 06
			JW	Dec 06
Every district/upper tier council should be involved with a regional centre of excellence	<ul style="list-style-type: none"> ▪ Council has association with Gateshead Council as the regional centre of excellence and has Associated Membership of NEPO 	<ul style="list-style-type: none"> ▪ Monitor and Review 	JW	Complete
OJEU notice to contract award should be reduced by average 10 per cent time	<ul style="list-style-type: none"> ▪ Research work required into whether improvement is physically possible 	<ul style="list-style-type: none"> ▪ Audit OJEU notices 	JW	Ongoing
Smaller district councils without procurement resources should be collaborating with others to create shared services for procurement and project management	<ul style="list-style-type: none"> ▪ Collaboration in place : ▪ Durham Procurement Partnership ▪ NEPO 	<ul style="list-style-type: none"> ▪ Monitor and Review progress of initiatives 	JW	Complete
Collaborating with neighbouring councils for shared commissioning and/or delivery of services	<ul style="list-style-type: none"> ▪ Collaboration with Teesdale councils regarding <ul style="list-style-type: none"> ▪ Benefits ▪ Procurement 		JW	Complete
Appropriate e-Procurement solution implemented & measured	<ul style="list-style-type: none"> ▪ Actual approach to e-procurement to be developed – options being considered 	<ul style="list-style-type: none"> ▪ Identify appropriate solution ▪ Monitor and review progress against plan 	JW JW	Ongoing
Making use of the GPC or equivalent.	<ul style="list-style-type: none"> ▪ Research work being carried out ▪ Using GPC contract for Barclay purchasing card 	<ul style="list-style-type: none"> ▪ Implement GPC Card into pilot area ▪ Roll out across Wear Valley and Teesdale 	JW	June 06
			JW	August 06

2005 Milestones	Position at December 2005	Required Action	By Whom	By When
Procurement's relationship to Community Plan addressed	<ul style="list-style-type: none"> ▪ Compared Community Plan and Procurement Strategy, prioritised and identified links ▪ Particularly with Economy, Environment and Housing 	<ul style="list-style-type: none"> ▪ Prioritise and identify links ▪ Ensure links are contained within the revised procurement strategy ▪ Monitor and review 	JW	Ongoing
Evidence Workforce diversity, equality and sustainability issues addressed	<ul style="list-style-type: none"> ▪ Diversity and Equality training underway throughout authority at Senior level 	<ul style="list-style-type: none"> ▪ Timescale for roll out across Authority 	Human Res. Dept	Mar 06
Diverse and competitive supply market actively encouraged	<ul style="list-style-type: none"> ▪ To be agreed 	<ul style="list-style-type: none"> ▪ 		Ongoing
Sustainability built into procurement strategy, processes and contracts	<ul style="list-style-type: none"> ▪ Sustainability to be built into document 	<ul style="list-style-type: none"> ▪ Ensure links are contained within the revised procurement strategy 	JW	Complete
Concluded Concordat for SMEs and Third Sector compact	<ul style="list-style-type: none"> ▪ SME visioning day for local suppliers held in February 2006 	<ul style="list-style-type: none"> ▪ 	JW	Complete
Improved bidding process– better information for suppliers, demand supplier innovation and option for bidders to specify community benefits in bid	<ul style="list-style-type: none"> ▪ Develop and complete guide on how to do business with the council. 	<ul style="list-style-type: none"> ▪ Develop guide 	JW	Sept 06

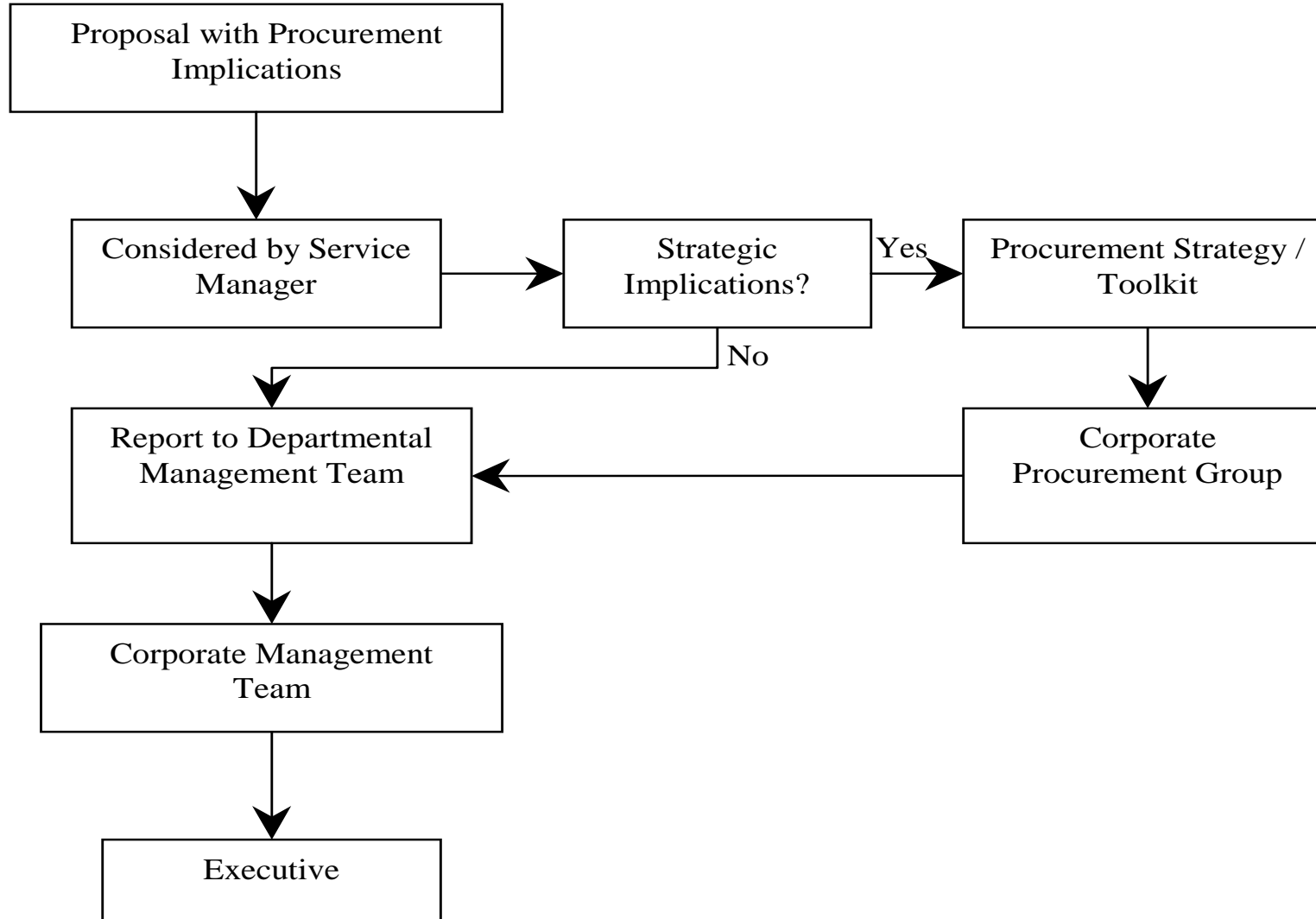
National Procurement Milestones 2006

2006 Milestones	Current position	Required action	By Whom	By When
Every District Council should have carried out a health check on progress against the National Strategy	<ul style="list-style-type: none"> ▪ Identified to regional centre of excellence to willing to undergo health check 	<ul style="list-style-type: none"> ▪ Possible self assessment ▪ To be decided 		
The average time taken from OJEU Notices to contract award reduced by 25 per cent.	<ul style="list-style-type: none"> ▪ Research work required into whether improvement is physically possible 	<ul style="list-style-type: none"> ▪ Audit OJEU notices 		
All councils should have access to an appropriate e-marketplace	<ul style="list-style-type: none"> ▪ Feasibility being examined ▪ Potential to be assessed 	<ul style="list-style-type: none"> ▪ Possible desktop ordering system to be established. ▪ Performance management System to have e-tendering module. 		

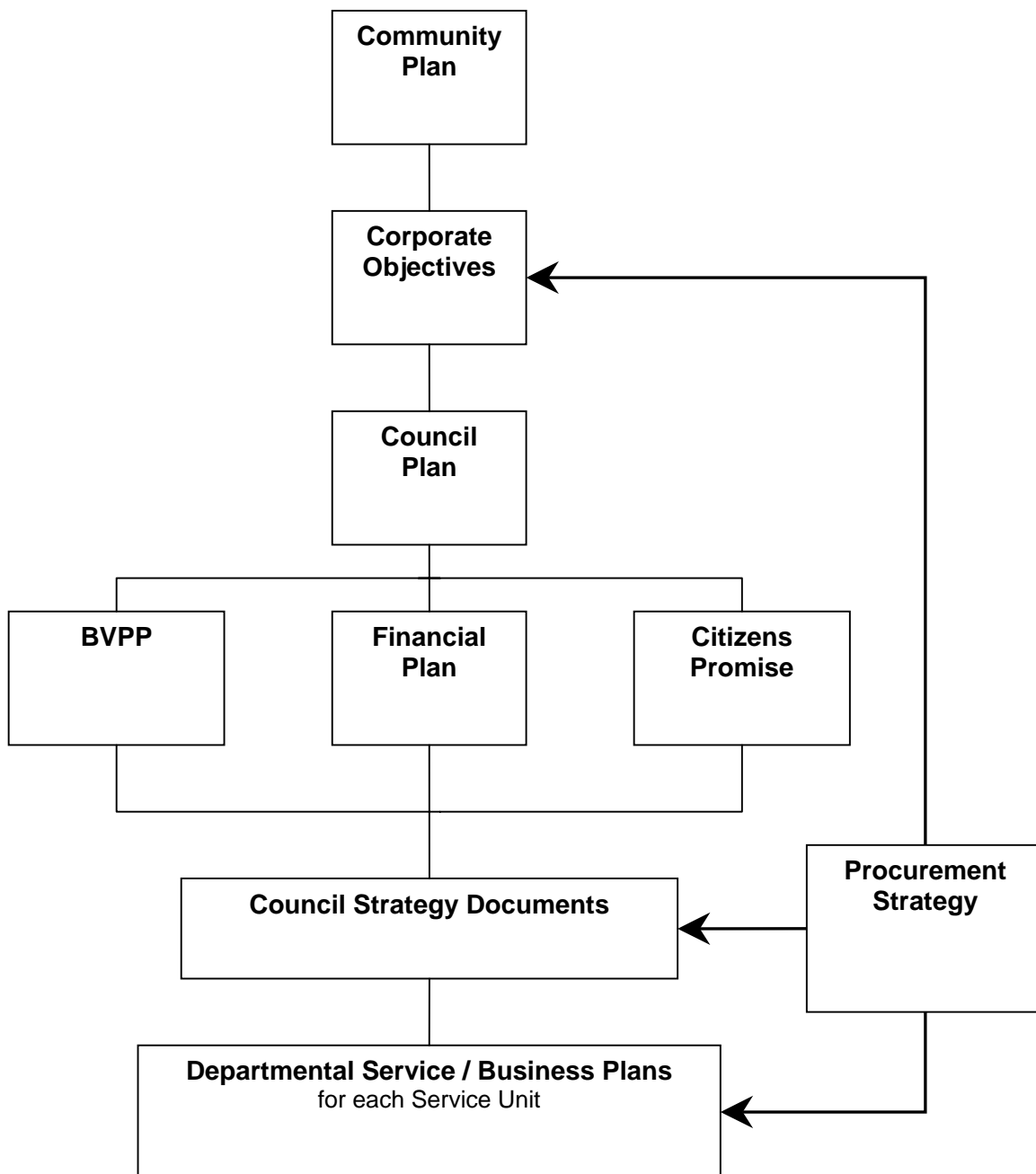
THE PROCUREMENT CYCLE



CORPORATE PROCUREMENT BOARD FRAMEWORK



PROCUREMENT STRATEGY - STRATEGIC FIT



**POLICY AND STRATEGIC
COMMITTEE**

14 JUNE 2006

Report of the Director of Resource Management
HUMAN RESOURCES STRATEGY

background

1. Members will recall that the production of a Human Resources strategy is an item within the Council Plan. The attached strategy at Annex B seeks to complete that requirement. The strategy has been produced by Resource Management staff with support and assistance from the Corporate Development Department. The strategy will be a key element of the Council's organisational development "tool kit".
2. The strategy has been developed to take into account areas such as diversity and equality, which the Council has now recognised as being of increased importance.
3. Alongside the strategy sits a number of action plans. These action plans give practical expression to the strategy and outline specific, measurable and timebound actions to be taken in order to deliver against each key element of the strategy.
4. It is important to recognise that the strategy is the 'first stage' for the Authority in improving its workforce through training and development.

financial implications

5. Members will, however, recall that during the budget process a post of Equality and Diversity Manager was created. This post will be recruited to over the coming months. Members all agreed to the establishment of a management development fund during the budget process which will be used to improve management capacity within all departments.

human resources implications

6. These fall into two main areas i.e. central capacity to deliver the strategy and departmental capacity to deliver.
7. In relation to central capacity, we have a modest human resources function. This will be strengthened by the recruitment of the Equality and Diversity Manager. In relation to non-staffing resource, there exists a newly created Management Development Fund, which will sit alongside the existing corporate training budget. This finite resource will need to be spent wisely to maximise its return in terms of organisational development.

8. In relation to departmental capacity, the central human resources function will need to work more closely with departments to ensure that training and development provided is adequate in terms of departmental needs, that staff attend training courses provided and that feedback is received and acted upon. A training programme will need to be agreed corporately to ensure senior staff buy in.
9. Progress reports in implementing the action plans within the strategy will be periodically submitted to Corporate Management Team.

conclusion

10. The human resources strategy is a key document needed to move the Authority forward. It is also a priority in the Council Plan.

RECOMMENDED

11. It is recommended that Members agree the strategy and action plans at Annex B.

Officer responsible for the report

Gary Ridley
Director of Resource Management
Ext 227

Author of the report

Gary Ridley
Director of Resource Management
Ext 227

Version 4

**Wear Valley District Council
Human Resource Strategy**

2005-2008

CONTENTS

- 1. Introduction**
- 2. Context**
- 3. Key Elements of HR Strategy**
- 4. Responsibilities**
- 5. Monitoring and Review**

1. Introduction

Wear Valley District Council has recently begun to make real improvements in the way it seeks to deliver services and provide support to the citizens of our District. We have begun a journey of improvement that has led us to be rated “fair” under the CPA and places us in the middle rank of Councils nationally. This is a fair assessment but our overarching aim is to become “the best District Council in England”. We recognise that this is a challenging aim and that a key part of achieving this is the introduction and roll out of this people strategy.

- 1.1 In aiming to become the best, this needs to be recognised not only as a statement or ambition, but also of a reality based on the need to organise, motivate and recognise the key contributions made by people taking pride in delivering the services the Council provides.
- 1.2 Through focussing of the development of people, the Council will develop and maintain those key systems, processes, policies, procedures and practices necessary to deliver excellent services to the people of Wear Valley. Management Team, Senior Managers and, crucially, Elected Members will play a key part in ensuring that this Strategy is fully integrated across the Council.
- 1.3 HR management and development makes a key contribution towards the strategic direction of the Council, and it needs to be aligned with the Council’s Vision and Key Objectives at all times. The Council’s agreed objectives at the time of writing this strategy are:

- **Vision**

To be the best District Council in England

- **Key Objectives**

1. **Population**

The Council will use its statutory powers, resources and influence to help create a balanced, vibrant and growing population across the whole of Wear Valley District.

2. **Environment**

The Council will aim to secure new public and private investment to improve the built and natural environment.

3. **Economy**

The Council will enable the development of a continuously improving economic infrastructure and environment in Wear Valley.

4. **Community Safety**

The Council will design its services to increase community safety and crime prevention and work closely with key partners to improve crime reduction.

5. Health

The Council will use its services to help improve the health and well being of Wear Valley residents and promote healthy lifestyles.

6. Lifelong Learning

The Council will encourage the development of continuous lifelong learning in Wear Valley.

- 1.4 The HR Strategy has at its core the aspiration to create a culture that enables the Council to achieve this Vision and Key Objectives through the development of everyone in the organisation. This clearly implies a culture of performance and continuous improvement, which will in large part depend on a highly trained and motivated workforce who understand the aims of the organisation and the contribution they can make. HR has a key role in helping to achieve the most effective contribution that everyone can make by developing a range of policies and initiatives aimed at encouraging them to work positively and productively within a supportive and stimulating environment.
- 1.5 The HR Strategy is underpinned by a number of key themes, which support and contribute to policy development, actions and outcomes. These are referred to as the Council's Corporate Baselines.

Corporate Baselines

- **Empowerment** – Providing effective leadership that enables employees to become empowered to deliver effective and continuously improving services to our customers.
- **Resource Management** – Have management systems and training to ensure resources are deployed as effectively as possible.
- **Communication** – Ensuring that internal and external communications are established and maintained as a corporate priority.
- **Priorities** – Resource allocation is properly planned, agreed, regularly reviewed and communicated with our staff, service delivery partners and customers and embedded in our arrangements for justifying performance.
- **Performance Management** – Having a Performance Management framework that will allow staff to understand how their efforts at every level will contribute to the achievement of corporate objectives and encourage the development of a culture of continuous improvement in service delivery.

- **Consultation** – Ensure that formal methods for consultation with all of our stakeholders are established and maintained as a corporate priority.
- **Corporate Governance/Leadership** –Ensure that our activities comply with the guidance on corporate governance and develop a culture of openness and transparency, high standards and a willingness to identify and recognise where things need to be improved upon within the public gaze.

2. Context

2.1 The Council is subject to a number of key influences and drivers which have implications for future strategic direction. Some of the relevant national and local catalysts providing the context in which this HR Strategy is being developed are summarised:-

National Drivers of Change

- The CPA and Best Value regime and the drive for performance and continuous improvement
- Increased, and more stringent, people related Performance Indicators
- National Pay and Workforce Strategies, including Single Status
- The drive towards enhanced access to services, through “E” Government
- The Gershon Review of Public Sector Efficiency
- The National Procurement Strategy
- National Strategy for Leadership Development and Member Development through the Leadership Academy
- National and European Employee and Equalities Legislation
- The need to develop managerial capacity within the organisation.

Local Drivers of Change

- The development and integration of a Performance Management Framework, from the Communication Strategy to the Council Plan and through to Service and Personal Development Plans
- Organisational Development and Change Management issues arising from:-
 - Stock Options Appraisal
 - Community Safety
 - Financial Planning

- Workforce Planning and Capacity
 - New ways of working emerging from revised government policy for local government
- The continued ability to retain and recruit quality staff
 - The need to improve performance across a range of people indicators, particularly that relating to sickness absence
 - The commitment to achieving the Local Government Equality Standards
 - The need to respond to the latest Employee Survey
 - The desire to increase capacity by introducing a people strategy that contributes to a competency based approach to employee development
 - The need to improve the way learning is shared across the organisation
 - The drive to improve the ways with which employees are communicated and involved in all aspects of the Council's work
 - The need to influence a more positive and forward looking organisational culture, through the introduction of flexible and progressive policies and procedures
 - The need for participation and empowerment at every level in the organisation supported by the ability to deliver improved performance.
- 2.2 All of these national and local issues will have an effect on the organisation and delivery of services, together with the skills and approach required by both members and employees.

3. Key Elements of HR Strategy

- 3.1 This Section outlines the key elements of the Authority's HR Strategy. It is centred around strategic HR objectives and will form the basis of ongoing workplans for the HR section and staff in general

Strategic Objective HR 1 Performance Management

To underpin continuous service improvement the Council recognises the need for the right employees in the right places at the right time. The aim of the strategic objective is to support the Council in providing high quality, customer focused services.

Therefore employees must be clear of the outcomes required of them in order to achieve their agreed targets and objectives. In turn they must be empowered to do this. This will be achieved through the development of clear performance targets and a competency framework that is derived from them.

Strategic Objective HR 2 Workforce and Succession Planning

The Council recognises the importance of trying to predict the future demand for different types of staff and seeking to match this with supply. A comparison between the present workforce and the desired future workforce will highlight shortages, surpluses and competency gaps, whether due to external pressure or internal factors. These gaps will become the focus of the detailed workforce plan, identifying and implementing strategies that will build the relevant skills and capacity needed for organisational success.

The Council also recognises that its workforce planning system will be built around customer and service needs, integrated with service and financial planning, supportive of multi-disciplinary learning and responsive to service changes and developments.

The Authority will develop the workforce plan built around the Council's three year Council plan, and ensure that it is incorporated into all corporate and departmental plans.

Strategic Objective HR 3 Recruitment and Retention

The Council recognises that there is a strong link between building capacity, improving service delivery and improving recruitment and retention.

The Council accepts that in the current framework of low unemployment, the shortage of some key skills and tight financial constraints, it needs effective recruitment and retention policies.

High turnover and skills shortages are detrimental to service delivery. We seek to be an employer of choice and will use recruitment, turnover and workforce planning information to improvement and a diverse workforce.

The aim of this strategic objective is therefore to put in place processes and plans which make the Council an exemplary employer able to recruit and retain quality employees.

Strategic Objective HR 4 Organisational Development

Developing structures, systems, capacity and competencies within an integrated framework designed to meet the Authority's agreed objectives is a key outcome of this strategy.

The aim of this strategic objective is to ensure that structures systems, capacity and competencies across the Council align with the shared priorities for national and local government and the Council's strategic objectives. A structured approach to organisational development will ensure that the necessary structures and skills aimed at achieving corporate objectives will be developed and embedded.

These will involve:

- (i) Ensuring all structures are reviewed as necessary from a corporate perspective.
- (ii) Ensuring capacity and competency issues are addressed in a timely manner. This will be achieved by:
 - a) Developing a top team development programme aimed at strengthening the way in which the Corporate management Team and the Political Management Team work together to agree and implement strategy;
 - b) Developing an integrated programme for management development to provide both the capacity and the capability for middle and junior managers to deliver the Council's objectives more effectively;
 - c) Ensuring that the objectives for developing employees as outlined in this strategy are implemented.

Strategic Objective HR 5 Employee Development

Developing a confident and capable workforce is essential to the future of Wear Valley District Council. Comprehensive Performance Assessment and other audits and reviews all demonstrate the need for councils to ensure that they have the skills and capacity required to improve performance and to meet future challenges. We recognise the importance of training and development for all staff to boost productivity and performance and to deliver improvement.

The aim of this strategic objective is to ensure that the Council acquires and develops the skills and knowledge needed to deliver flexible high quality services via:

- (i) The application of the principles of life-long learning.
- (ii) Clear leadership is essential to setting direction, motivating staff, and setting the culture of the organisation. It stimulates continuous service improvement and staff development to deliver better services.
- (iii) Training and developing the managerial skills of managers in order to release potential capacity within the Council.
- (iv) The development of a competency framework for all managers. This will also assist in the development of succession planning.
- (v) Developing annual training plans for staff as part of the personal development plan process.

These actions will be underpinned by a structured programme that will include training needs analysis and evaluation of performance improvement, as well as developing a management and leadership programme for middle and senior

managers in order to deliver corporate and personal objectives. The Council will also look to achieve IIP accreditation

Strategic Objective HR 6 Employee Reward

In order to deliver effective and efficient services, the Council needs to be able to attract and retain appropriately skilled and qualified employees. We, therefore, need reward systems that will assist in attracting and retaining the required employees and which are felt by employees to be fair and equitable, flexible and family friendly. In addition, employees need to feel that the Council's policies and practice are fair, effective and supportive, demonstrating the value that the Council places on their individual contribution to the delivery of quality services.

Therefore the Council will put in place a rewards system capable of:

- (i) Providing recognition for performance and the demonstration of competency.
- (ii) Contributing to the motivation of staff.
- (iii) Facilitating career structures and flexible working.
- (iv) Ensuring equal pay for work of equal value.
- (v) Being responsive and affordable.

The above will be achieved by a number of measures including the implementation of an integrated single status/job evaluation scheme replacing separate manual, white collar and nationally graded pay arrangements.

Strategic Objective HR 7 Employee Relations

The Council recognises the need to establish and maintain good employee relations that recognise the value and contribution of employees to the success of the Council. Therefore, it is committed to achieving well managed employee relations and communications via clearly agreed systems and processes.

The Council will therefore put in place arrangements to develop:

- (i) Positive employer/employee relations.
- (ii) Effective two way communication channels.
- (iii) Communication as an integral part of management responsibility.
- (iv) Measures to evaluate the effectiveness of communication.

Strategic Objective HR 8 Equality and Diversity

In order to meet all its statutory requirements and improve its service delivery and community leadership roles the Council is determined to turn its commitment to equality and diversity into practice across the organisation:

The Council is committed to:

- Having, as far as possible, a representative workforce which will reflect the communities we serve in terms of gender, ethnicity, age, religion or sexual orientation.
- Having a good reputation as an employer that values all its employees and gives equal opportunities to every employee or prospective employee.
- Integrating equality with service planning.

Ensuring that employees are aware of, understand and put into practice the Council's commitment to achieving equality and diversity. The above will be achieved through further work in developing and progressively achieving the equality standards for local government and in developing closer links with groups and bodies that promote diversity and equality issues and represent the interests of minority groups and communities.

Strategic Objective HR 9 Change Management

The aim of the strategic objective is to develop and maintain a change management process within the Authority. It will assist in challenging existing practice, identifying gaps and alternative arrangements in a structured way. Most important of all it will help create a positive change culture where employees feel valued.

To support this approach we will put in place arrangements to:

- (i) Develop a change management model for use within the Authority.
- (ii) Develop skills and capacity needed for organisational change.
- (iii) Integrate change within employee communication, staff development and teamworking.
- (iv) Ensure that change management is given senior political and managerial backing.

Strategic Objective HR 10 New ways of Working

Ensuring that Council services are fit for purpose will require the introduction of new ways of working in order to improve the efficiency and effectiveness of services. This has close links to the e-government agenda. We will therefore develop a structured programme which will include:

- (i) E-skilling staff so that they are able to provide more effective services.
- (ii) Embracing the opportunities offered by technology e.g. Customer Relations Management, internet, intranet and e-mail access, through the re-engineering of core processes.

- (iii) Improving response times to customer service requests.

The above has close linkages to the strategic objective relating to training and development. The aim of this strategic objective is to assist the Council in developing the capacity and capability of staff by making the most of innovative work methods.

Strategic Objective HR 11 Work life Balance

The Council accepts that to become “the best District Council in England” will require its services to be modernised and re-modelled around customer and citizen needs and aspirations. This will require a modern workforce supported by a range of worklife balance policies and plans.

The continued development of a worklife balance culture will include the review of existing, and the development of new plans and policies such as:

- (i) Homeworking.
- (ii) Flexi-time.
- (iii) Career Breaks.
- (iv) New approaches to working time e.g. annualised and compressed hours.
- (v) Support with caring responsibilities.

The above will also support and be supported by this strategic objective relating to new ways of working.

Strategic Objective HR 12 Safe and Supportive Working Environment

The aim of this strategic objective is to develop a safe and supportive working environment whereby staff are supported by a range of appropriate policies and procedures, which enable them to maximise their contribution to achieving the Council’s objectives.

This will include:

- (i) Establishing and monitoring targets for improved absence management by a consistent application of the sickness policy.
- (ii) Ensuring adequate support mechanisms are in place e.g. counselling, occupational health etc. to support attendance at work.

4. Responsibilities

- 4.1 For effective operation of HR Management in any diverse organisation, there must be a shared understanding of the respective responsibilities involved. This brief section sets out these responsibilities at a general level but will be developed further in a more detailed Protocol:-

- **Councillors** have a key role in ensuring that they operate in a non-discriminatory manner applying good personnel practice to ensure that effective accountability and ‘scrutiny’ processes are in place.
- **The Chief Executive** as Head of Paid Service will be responsible for the overall management of employees within the Council ensuring effective and efficient resource management and monitoring the implementation of human resources activities at its most strategic level.
- **The Director Resource Management** will have the day-to-day responsibility for the development and monitoring of the strategy and its general application.
- **All Directors and Managers** will have responsibility for implementing policies and procedures relating to employees within their areas of service delivery.
- **Managers** have a particular duty to ensure that fair treatment of both employees and customers occurs in work areas for which they are responsible and that they operate in a safe environment. They will also have responsibility for individual attendance, performance and development.
- **Employees** also have a clear role to play in helping to create a fair environment and developing an equality culture in the workplace. They must adhere to protocols and procedures operated within the Council and support colleagues in their efforts to achieve the goals of the Council. They have responsibility for their own attendance, behaviour and ensuring outcomes are in accordance with Council standards.

4.2 Effective communication is at the heart of the strategy. It is therefore important that all managers and employees read and understand it and have the opportunity to contribute to its development. This strategy will form part of a Personnel Handbook for managers which will include all relevant policies and procedures.

5. Monitoring and Review

5.1 The purpose of this plan is to identify the main priorities over the next 3 years. As with all authority service provision, we will need to embrace the principles of best value and ensure that we are operating to optimum capacity, providing an effective and efficient service. What the plan seeks to do is prioritise and give a clear focus to managers, employees and members about what will be addressed during the life of this strategy. This plan by the nature of human resources management will be a dynamic document that is constantly reviewed and monitored so as to ensure it continues to meet the needs of the Council as circumstances change.

5.2 The aims of all staff in achieving the plan will be to:

- Work within the framework of the Council's corporate objectives to achieve continuous improvement
- Act as a catalyst to assist in the development of operational and service plans
- Ensure human resources decisions and training embrace the short and long term needs of the Authority
- Identify areas of development in procedures, policies and practices
- Ensure policies and standards are understood and correctly applied
- Maintain access to professional advice and assistance on human resource matters ensuring value for money
- Ensure that the Authority meets its health, safety and welfare obligations
- That accurate and relevant information is provided to managers and members to assist in making informed decisions
- Provide mechanisms that enable members and staff to assess training needs and develop provision to assist in the achievement of business objectives
- Provide a framework for effective employee management
- Continually seek to improve performance to customers and apply the principles of Best Value to provide effective and efficient HR planning and service provision.

5.3 To achieve this we will strive to:

- Listen and act upon the diverse views and needs of internal and external customers
- Embrace the principles of best value
- Increase the level of consultation and communication
- Recognise the clear links between personnel and corporate aims

HR1 - PERFORMANCE MANAGEMENT

OUTCOME Employees are clear of the outcomes required of them and that they perform to agreed standards ensuring opportunities exist for constructive feedback measured against established performance criteria and that where appropriate they are empowered to take responsibility for their action

POLICIES & PROCEDURES:

PDP
Performance management framework

ACTIVITY	POSITION STATEMENT (WHERE ARE WE NOW)	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Establish local performance targets	Initial exploration of best practice and models of competence provision are being examined	Development of competence profiles for middle and senior managers	Competencies agreed and issued to managers by agreed timescales
2. PDP Review	PDP process introduced in October 2000 which applies to all employees of the council	To improve the current system to ensure that it is aligned to corporate aims and objectives and the performance of employees	Revised PDP system proposed and approved and appropriate changes made by agreed timescales
3. Employee Survey	Survey completed October 2003 and baseline data analysed and key areas identified.	A further survey to be carried out following the completion of restructuring exercise.	Survey to be completed by December 2006.

HR2 - WORKFORCE & SUCCESSION PLANNING

OUTCOME Assist the Council to establish and put in place mechanisms to ensure it has the right people with the right skills and knowledge in order for it to be regarded as a high performing authority both locally and nationally

POLICIES AND PROCEDURES:

Service Plans
Training Policy
Recruitment Procedures
PDP Process

ACTIVITY	POSITION STATEMENT (WHERE ARE WE NOW)	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Workforce Plan	Baseline data has been collated and key challenges are being discussed with senior managers to formulate workforce vision	Produce draft workforce plan for consideration by Management Team	Draft plan produced and available for consideration for Management Team by September 2006.
2. New Personnel/Payroll System	Funding for system agreed, initial specification and procurement processes in place for joint purchases with other Districts	Selection and installation of the new system within target dates and budget	Introduce during 2006/07

HR3 - RECRUITMENT AND RETENTION

OUTCOME: To ensure that the right people are recruited in accordance with legislative requirements and the principles of best practice. Ensuring that the best possible people are recruited and retained by the Council

POLICIES AND PROCEDURES:

Recruitment and Selection
Redundancy Policy

Equal Opportunities
Flexible Working

CRB Guide
Home Working

Race Equality Scheme
Satisfaction Protocols

ACTIVITY	POSITION STATEMENT (WHERE ARE WE NOW)	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Competence based recruitment protocols	Initial report produced for consideration by Management Team and baseline competencies drafted	Integrated competence process with regard to recruitment of junior and middle managers	Agree core competencies for managers.
2. Trainees/Apprentices	Recognition for the need for better succession planning. Currently have six apprentices across a number of trades.	The development of baseline data through workforce plan and the inclusion of trainees/apprentices in succession planning for the Council	Report to Management Team following completion of Workforce plan by October 2006.

HR4 – ORGANISATIONAL DEVELOPMENT

OUTCOME To enable the organisation to continually mature in response to changes and to improve business performance through positive changes to people management, competence, communication systems and structures

POLICIES AND PROCEDURES:

PDP

Personal handbook

Service Plans

Draft Training Strategy

Draft Workforce Plan

ACTIVITY	POSITION STATEMENT (WHERE ARE WE NOW)	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. IIP	New standard to be introduced in January 2006	To work with consultant to prepare the organisation for assessment	To achieve IIP status in 12 months from agreeing to progress the standard
2. Review of Authority's structures	Draft structure produced by Chief Executive. To support Directors re: Human Resources issues during the process	Effective implementation of the proposed structure	To be completed in the timescales specified
3. Research and submit for approval, a top-team development programme.	Initial discussions have been held at SMG and approval 'in principle' has been obtained.	The implementation of a recognised and approved (by the Leadership Centre for Local Government) top team development programme.	a) Baseline study conducted. b) Implementation action plan agreed between Council and LCfLG.
4. Research and submit for approval, a baseline review of the current status of management culture, capacity and competencies within the Council.	Initial discussions have been held at SMG and approval 'in principle' has been obtained to establish scope and cost of the task.	To implement a management development programme that will support the delivery of the Council's objectives more effectively by building and embedding a performance culture right across the Council.	Study conducted with detailed gaop analysis report submitted to CMT and SMG by end '06.

HR5 - EMPLOYEE DEVELOPMENT

OUTCOME Application of the principles of life long learning and that employees are appropriately qualified and skilled in order to assist in the achievement of corporate goals

POLICIES AND PROCEDURES:

PDP

Training Policy (Draft Training Strategy)

Training Plan Induction Protocols

ACTIVITY	POSITION STATEMENT (WHERE ARE WE NOW)	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Staff Handbook	Handbook produced in electronic format and is accessible to all staff.	Successful validation of handbook and the completion of awareness training for all staff.	85% satisfaction with handbook. 75% of managers trained during 2006
2. Workforce Development Plan	Draft Workforce Development plan produced for 2005/2006	Final Workforce Development Plan that links to corporate aims and objectives and provides opportunities for individual learning and development	Development plan produced for Management Team by 30 September 2006.
3. Member Development	PDP's offered to all members and have been carried out where required. Members' charter has been signed.	To introduce a comprehensive member development programme that is linked to corporate objectives and individual PDP's	The development of a training plan and strategy by 30 September 2006.
4. Management Development (Links to HR4(3 &4))	Successful joint bid from LSC for funds pilot of management development/member development programme	Successful pilot of management development programme producing post graduate certificate	Complete pilot and review in December 2006

HR6 - EMPLOYEE REWARD

OUTCOME Systems and processes are developed to ensure that employees are supported, motivated and fairly rewarded for their contributions to the achievement of the Council's aims and objectives and level of service delivery

POLICIES AND PROCEDURES:

National terms and conditions of service.
Home working
Flexible working
Special leave
Training plan

Suggestion scheme
Maternity leave policy
Job share
Counselling service

ACTIVITY	POSITION STATEMENT (WHERE ARE WE NOW)	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Job Evaluation	Steering group established, conventions and definitions identified and benchmarking process agreed and completed. Two Directorates have now been completed.	To complete all Directorates in line with the implementation plan.	To complete the Job Evaluation Process by December 2006. To commence pay modelling process January 2007.
2. Recruitment and Retention	Training and Development Plans. Flexible working arrangements. Relocation package.	Become an employer of choice that is able to recruit and retain high quality staff	2% reduction in staff voluntary turnover by 2006/07
3. Secondment	Informal arrangements exist within the Authority for secondments to be facilitated	To produce a formal policy and procedure to apply to future secondments	Policy produced for consideration by Management Team by 30 September 2006.

HR7 – EMPLOYEE RELATIONS

OUTCOME: That employee relations and communication are well managed and supported by a framework of systems and processes that are consistently applied and are in accordance with current legislation and Council standards and values

POLICIES AND PROCEDURES

Communication Strategy
Grievance Procedure
Re-grading protocols

Appeals Procedure
Paternity leave
Equal Opportunities Policy

Redundancy Procedure
Disciplinary Procedure

Time Off for approved duties
Confidential Reporting Policy

ACTIVITY	POSITION STATEMENT	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Discipline/Grievance procedure	Currently have procedures in place for all employees.	Update policy to ensure adherence to equality and employment legislation	Revised policy agreed by CMT.
2. Redundancy Policy	Current policy in place	Update policy to ensure adherence to equality and employment legislative changes	Revised policy agreed by CMT.

HR8 – EQUALITY AND DIVERSITY

OUTCOME: That the commitment of the Council to addressing inequality and recognising the value of a diverse workforce can bring to service delivery is integrated to the appointment, development and general treatment of potential or existing employees

POLICIES AND PROCEDURES

Equal Opportunities	Home Working Policy
Dignity at Work	Flexible Working
Race Equality Strategy	Recruitment and Selection Policy

ACTIVITY	POSITION STATEMENT	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Equality standards for Local Government	Equality Policy in place Race Equality Scheme in place with limited monitoring re service delivery level 11 achieved	Scheme is developed further to achieve standards of performance	Level 2 achieved by March 2007.
2. Develop closer liaison with minority groups in Wear Valley in relation to recruitment and selection	Some contact with local groups	Explore methods of engaging with local groups, consult local agencies	Focus group established and contacts identified
3. Race Equality Scheme	Current BVPI is 41%	Achieve all Race Equality Scheme requirements	Achieve above average performance by March 2007

HR9 – CHANGE MANAGEMENT

OUTCOME: Develop change management processes and capacity within the Authority that enables it to continuously seek, identify, develop and implement improved ways of working to deliver better services, cost efficiently

POLICIES AND PROCEDURES

Council Plan
Service Plan
Workforce Plan
Training Policy and Plan
Communication Strategy

ACTIVITY	POSITION STATEMENT	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Develop change management process	No formal process in place	Explicit system in place	System in place in 30 September 2006
2. Train staff in change management process	No formal process in place	Training plan devised and implemented	Introduced by 31 March 2007

HR10 – NEW WAYS OF WORKING

OUTCOME: To ensure that the Council's jobs reflect service delivery requirements and that employees have the competencies to meet service improvement needs.

POLICIES AND PROCEDURES

PDP
Training Policy
Training Plan

ACTIVITY	POSITION STATEMENT	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. E.C.D.L.	28 employees undertaking ECDL training	Successful completion of ECDL programme	All staff trained by 31 March 2009
2. CRM system	Phase 1 of CRM implemented to include all environmental services	All services to be included on CRM	All services to be dealt with at first point of contact by 2008
3. E-government take up strategy and skills	No take up strategy in place	Take up strategy developed and implemented	By 31 December 2006

HR11 – WORK/LIFE BALANCE

OUTCOME: The implementation of flexible working options that support service delivery and individual requirements.

POLICIES AND PROCEDURES

Equal Opportunities
Flexible Working
Homeworking
Personal Handbook

ACTIVITY	POSITION STATEMENT	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Review Home Working	Homeworking policy in place. Pilot programme being implemented and review mechanisms developed	Successful completion of pilot programme	Audit report to Management Team by October 2006
2. Worklife Balance	Homeworking/Flexitime/Job Share/ Special Leave/Maternity/Parental Leave in place	To develop a comprehensive work life balance strategy that assist the Council to become an exemplar employer	Worklife balance strategy drafted for consideration by Management Team by September 2006.

HR12 – SAFE/SUPPORTIVE

OUTCOME: The creation of a healthy and safe working environment.

POLICIES AND PROCEDURES

Health and Safety policies
Stress policy

ACTIVITY	POSITION STATEMENT	ASPIRATIONS OF ACHIEVEMENT	PERFORMANCE MEASURES
1. Counselling Provision	New counselling service engaged in 2003	Quality/Satisfaction survey undertaken	Results of survey to Management Team by 31 March 2006 – aim for 85% satisfaction
2. Improve health education for employees	Working with the Community Services department to produce action plan for achieving the bronze award	Assist to reduce sickness absence Achieve bronze award for healthy living	Assist in reducing sickness absence in each department by 10% by 31 March 2007
3. Review the management of stress inline with HSE guidelines	Analysis of the sickness data for the previous year including employee survey. Counselling and training on stress management provided to all employees	Undertake a stress audit in line with HSE guidelines. Produce improvement plan in consultation with HSE Officer, Trade Unions and Management Team	Agree improvement plan by March 2007 Provide quarterly reports to managers
4. Review return to work procedures	Return to work procedures in place	Audit undertaken of completion rates and quality of completion information	Assist to reduce sickness in each department by 10% by 31 March 2007

**POLICY AND STRATEGIC DEVELOPMENT
COMMITTEE**

14 JUNE 2006



**WEAR
VALLEY**
DISTRICT COUNCIL

Report of the Chief Executive
SIMALTO CONSULTATION 2007/08

purpose of the report

1. To submit for approval, the proposed SIMALTO (Simulated Alternative Trade Off) grid for the 2007/08 budget setting process.
2. To seek approval of the action plan incorporated in the body of this report.

introduction

3. The purpose of SIMALTO is to gain citizen input into the budget allocation decision making process. This method asks respondents to make their priorities from a choice of defined alternative levels of each service. In effect they are informing the Council where services should expand/contract to better meet their needs.
4. The choices are 'realistic' since the relative savings/extra costs of different service level are shown to residents, and they only have fixed, constrained budgets to allocate across the competing service levels.
5. For the past three years the Council has consulted with the community using the SIMALTO modelling technique to consult with the community as part of the Council's budget setting process.

background

6. Prior to the preparation of the draft grid, Directors were asked to provide subject areas for consultation by inclusion in the grid. In particular they were requested to develop questions for consultation that would allow the council to meet its corporate objectives.
7. Attached at Annex C is a list 23 potential scenarios derived by management team and Strategic Management Group that form the 2007/08 survey.

proposed timetable/action plan

8. A Gantt chart for this project is provided in Annex D.

financial implications

9. The cost of the SIMALTO consultation exercise to be carried out using consultants will be £16,000.

human resource implications

10. Conducting the SIMALTO consultation requires a small proportion of office time from Corporate Development to collate the grids and summarise the results.

information technology

11. There are no information technology implications to this report.

crime and disorder implications

12. There are no crime and disorder implications associated with conducting the SIMALTO review, however any recommendations implemented would need to be assessed independently.

conclusion

13. In order to make the best use of SIMALTO in setting out budget priorities we need to ensure that this consultation exercise offers the best value by demonstrating these scenarios are linked to the needs of our community.

RECOMMENDED

14. It is recommended that Committee consider the SIMALTO grid and provide suggested areas where the grid can be reduced.

15. It is recommended that Committee approve the project plan attached in Annex D.

Officer responsible for the report

Iain Phillips
Chief Executive

Author of the report

Cheryl Duggan
Performance Improvement
Manager
Ext 313

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options				
1	Environment	Grounds Maintenance (excluding Recreation Grounds)	Reduce to 9 grass cuts per year throughout the District -2	Reduce to 12 grass cuts per year throughout the district -1	Maintain current level of service- approx. 15 grass cuts per year on a ten day fortnightly basis and approx. 20 flower beds 0	Restore grass cutting to previous levels i.e. 17 cuts per year throughout the district 1	As now with increase in floral displays e.g. hanging baskets, additional 20 flower beds plus 2 extra grass cuts per year 5
2	Health	Level of subsidy for Leisure Centre Activities	25% price increase for users – no impact on current subsidy levels but may impact on financial viability of some facilities 0	10% price increase for users – required to offset annual inflation and cost increases 3	Maintain current levels of subsidy Will result in need for revenue savings for the service because of impact of inflation and year on year cost increases 4	10% decrease in prices – reduction in income would require compensatory increase in Council subsidy to the service 10	

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
3	Health	Level of investment in Leisure Centres	Less spent on repairs and maintenance, with associated deterioration of facilities -2	As now, basic repairs only 0	Programme of improvements to existing facilities including cosmetic improvements (carpets, decoration) and new equipment at one centre 2	Programme of improvements to existing facilities including cosmetic improvements (carpets, decoration) and new equipment at one centre Plus new equipment at 2 centres 4
4	Health, Crime	Delivery of Leisure activities for Young People	A reduction in number of leisure activities -1	As now 0	Provide free access for young people in Leisure Facilities at pre-programmed times 2	And increase range and number of supervised activities delivered locally within communities i.e. not in Leisure Complexes 5
5	Environment	Street Cleansing	Reduced service with impact on cleanliness across the district e.g. - less frequent cleaning of pedestrian areas, street channels, litter collection -2	As now - 0	Plus additional cleaning as required at specific times (weekends, market days, summer, etc.) 4	plus Chewing gum removal in major shopping streets- major improvements in cleanliness/attractiveness 7

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
6	Environment	Waste Management / Recycling	Less frequent collection- fortnightly collection of household waste i.e. 1 collection per month for waste for landfill and one collection per month of waste for recycling.	As now Introduction of twin bin refuse and recycling service i.e. refuse collected every week as follows: Week 1 waste for landfill Week 2 waste for recycling	Extend the current green waste service (from pilot 4700 properties) to include all properties (approximately 15,000) which have potential for green waste yield	
			-10	0	12	
7	Environment & Health	Recreation Grounds	Reduce facilities at Recreation Grounds; e.g. close one bowling green. Close football pitches close pavilions, to be determined	As now – Accept current number and condition of our open spaces (as articulated in Open Space Strategy)	Additional security features (e.g. monitoring and patrol) at recreation grounds identified as at risk of alcohol and drug misuse and other aspects of anti social behaviour	Previous option plus additional investment in environmental improvements and infrastructure developments leading to greater community use and improved disabled access
			-2	0	6	12

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
8	Economy	Money Advice	As now (no money advice worker) 0	Provide additional support to the current provisions for making money advice available 2	Support the extension of money advice to be available to all citizens in Wear Valley 3	Provide increased additional funding to the extended scheme 4
9	Crime	Anti Social Behaviour Team (e.g. Street Wardens to deal with issues various neighbourhood issues, e.g. noisy neighbours, damage of property, graffiti, other breaches of tenancy or civil/criminal law)	As now – providing services across the District 0	Additional support to the current service 2	Additional support to prevent anti social behaviour. 3	Additional support to prevent anti-social behaviour and provide an increased level of service for all residents 4
10	Crime	Neighbourhood Drug and Youth Disorder	As now - No front line District Council workers 0	Additional funding to target drug abuse, anti social behaviour and youth disorder across Wear Valley through improved project delivery 3	Greater additional funding to target neighbourhood based drug abuse, anti social behaviour and youth disorder across Wear Valley through the development and delivery of new and wider projects 8	
11	Crime	Domestic Violence Team	As now, one Domestic Violence Co-ordinator 0	Additional support to work with victims of domestic violence 2	Plus additional support to work with children affected by domestic violence 3	Plus additional support to work with perpetrators of domestic violence 4

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
12	Economy	Invest in business support and business premises to Boost enterprise and employment by investing in business support and new business premises.	Stop funding economic development activities 0	As now – maintain current level of activity, achieving approximately 50 new jobs 2	Increase expenditure by 50% and try to achieve approximately 75 new jobs 3	Increase expenditure by 100% and try to achieve approximately 100 new jobs 4
13	Lifelong learning	Support local people to get skills and jobs through Modern Apprenticeships	Stop providing Modern Apprenticeship opportunities -1	As now - provide Modern Apprenticeship opportunities for 9 people 0	Support an additional 7 apprentices 2	Support an additional 15 apprentices 3
14	Economy, Population	Invest in determining the local transport requirements to improve services for all	Reduced support for provision of concessionary travel. (concessionary travel in Wear Valley district) -3	As now – Concessionary travel across County Durham and no support for cycling, community transport schemes, etc. 0	Provide funding to help more people to access transport (e.g. through community based transport arrangement and concessionary travel tokens)	7

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
15	Population & Health	Level of access to services	Continue to provide services to disadvantaged groups (elderly/disabled/English not first language, etc.) as now 0	Consult with disadvantaged groups to identify their preferred methods of accessing services and devise a best practice plan to deliver in the long term 1	Implement a three year plan to deliver the preferred methods of access, to allow disadvantaged people to more easily contact the and benefit from the full range of services available 4	
16	Population (consultation and engagement)	Should the Council invest more in seeking out your views of the services you wish us to deliver.	Stop spending existing money. -1	Carry on with existing consultation arrangements (budget consultation and customer satisfaction survey every 6 months) 0	Do more consultation on budget and customer satisfaction through increased frequency and other means (e.g. focus groups) 2	Do more consultation on wider range of issues to include quality and types of services wanted, using a wider range of survey methods e.g. focus groups. 4
17	Lifelong Learning	Level of resources devoted to improving educational attainment amongst the community	As now - provide the same level of resources to improve IT skills among the community 0	Identify specific local lifelong learning needs and plan to meet them 1	Provide additional resources to improve lifelong learning amongst the community 2	

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
18	Health	Level of involvement in Young people's health development	As now –i.e. maintain current levels of Council support for example:- Leisure facilities Sport development, exercise referral, out reach facilities, etc. 0	Provide additional dedicated Council support to providing health development for young people. 2	Provide greater levels of Council support to facilitate improved health awareness and opportunities. Therefore remove/decreased dependency of funding support. 4	
19	Health	Handyman service for disabled/older people to do minor health and safety repairs	As now – No provision 0	Appoint 1 handyman 2	Appoint 2 handymen 4	Appoint 3 handymen 6
20	Population (area based arrangements)	Should the council invest in setting up local area forums that would allow people in those communities to have a greater say in the type and quality of services they receive from the Council	As now - Communities represented by their ward Councillor 0	Set up area based forums that would support citizens and communities to develop their own preferred solutions for their areas and represent them to the Council. 3	Set up area based forum supported by dedicated officers from the Council to co-ordinate and deliver services in those areas in accordance with the needs of the community as expressed by the area forums. 6	As previous box – in addition a budget that would be controlled by the area forum and could be spent on local improvement priorities. 9
21	Environment	Levels of maintenance of closed churchyards (churchyards that are full)	Provide no maintenance return to nature -2	Reduce the amount of maintenance on closed churchyards -1	As now – 0	Increase the amount of maintenance on closed churchyards 1

**WEAR VALLEY DISTRICT COUNCIL
SIMALTO GRID 2006**

ANNEX C
Dated 21.04.06

Qu.	Priority	Service	Levels / Options			
22	Population & Capacity to Deliver	Access to Council Services	Reduce cashiers facilities and encourage electronic payment -1	As now 0	Extended opening hours of Civic Centre e.g. Saturday Mornings 2	Extended opening hours at Civic Centre, e.g. evenings and weekends or alternatively messaging service 3
23	Economy	Invest in Modern Apprenticeships in partnership with Local Businesses	As now - modern apprentices employed by the Council 0		Provide an additional 4 placements in local businesses 1	Provide an additional 8 placements in local businesses 2

	WEEK COMMENCING																							
	17/04/2006	24/04/2006	01/05/2006	08/05/2006	15/05/2006	22/05/2006	29/05/2006	05/06/2006	12/06/2006	19/06/2006	26/06/2006	03/07/2006	10/07/2006	17/07/2006	24/07/2006	31/07/2006	07/08/2006	14/08/2006	21/08/2006	28/08/2006	04/09/2006	11/09/2006	18/09/2006	25/09/2006
Draft Grid to SMG																								
Quotations obtained for consultants to carry out SIMALTO consultation exercise	▲																							
MSU prepare draft grid and Report for CMT	◆	◆																						
Draft grid to CMT		▲																						
MSU revise Grid		◆	◆																					
2nd Draft grid to CMT			▲																					
Draft Grid to SMG				▲																				
SMG to amend/approve draft grid				▲																				
Final Grid approved by P&SD									▲															
Documents to Survey Company									▲															
Survey carried out										◆							◆							
Analysis and Results fed back																◆	◆							
MSU Produce Final Report																	◆	◆						
Report to CMT																		▲						
Report to SMG																			▲					
Report to P&SD																				▲				

Annex D



**POLICY AND STRATEGIC DEVELOPMENT
COMMITTEE**

14 JUNE 2006

Report of the Chief Executive
RISK REGISTER UPDATE

purpose of the report

1. To inform Members of the progress in managing the risks of the Corporate Development Department.

background

2. The Service Plan for the Corporate Development Department (formerly the Management Support Unit) includes an analysis of the main risks facing the department. This report provides an update on the actions taken to manage and mitigate those risks.
3. District Councils undergo an annual Use of Resources assessment by the Audit Commission and part of this includes an assessment of how the Council manages its risks. Risk management will be reported to Members every other Committee cycle to demonstrate continuous improvement in risk management
4. A table of the risks facing the Corporate Development Department is attached in Annex E.

conclusion

5. The table in Annex E shows that the Corporate Development Department has identified its major risks and is taking action to manage those risks.

RECOMMENDED

6. It is recommended that Members note the report.

Officer responsible for the report
Iain Phillips
Chief Executive

Author of the report
Dylan Griffiths
Policy and Research Manager
Ext 878

**Corporate Development Department
Risk Register Update Report**

KEY

Probability of happening	Impact on the Service
1 – Low	1 – Low
2 – Medium	2 – Medium
3- High	3- High

Type of Risk	Risk to the Department	Actions to minimise	Progress to date	Probability of risk occurring	Impact
Political	Local Government Reorganisation has adverse consequences for community leadership and service delivery in Wear Valley	<ul style="list-style-type: none"> • Keep up to date with policy debate • Consult on emerging proposals with key stakeholders • Develop strategies to lobby for preferred options 	<ul style="list-style-type: none"> • Lead Members and officers have attended national, regional and local discussions • Consultations with Lead Members from other authorities in County Durham have taken place <p>Lead Officer: Chief Executive</p>	2	3
Political	Area Based Arrangements have heavy resource commitments and do not lead to an increase in participation and engagement	<ul style="list-style-type: none"> • Consultation with key stakeholders to gauge support for proposals • Develop proposals that 	<p>Proposals developed and are now under discussion</p> <p>Lead Officer: John Docherty</p>	3	2

		reflect natural communities and can be serviced by the Council			
Political	Joint working with Teesdale Local Strategic Partnership imposes heavy commitments on Wear Valley LSP	<ul style="list-style-type: none"> Develop joint working arrangements with Teesdale that do not impose excessive additional administrative burden 	<ul style="list-style-type: none"> Service Level Agreement with Teesdale LSP signed Joint support posts agreed <p>Lead Officer: Mary Hall</p>	3	2
Economic	Neighbourhood Renewal Funding and other funds are not allocated effectively	<ul style="list-style-type: none"> Develop plans to distribute NRF and other funds targeted on most deprived areas and have greatest impact on reducing deprivation 	<ul style="list-style-type: none"> Initial plans for short term in place Consultation on longer term funding taking place <p>Lead Officer: Mary Hall</p>	3	3
Sociological	Crime and the fear of crime continues to adversely affect life in Wear Valley	<ul style="list-style-type: none"> Implement actions to reduce crime and fear of crime 	<ul style="list-style-type: none"> Community Safety plans being implemented focusing on high priority issues including anti-social behaviour and domestic violence <p>Lead Officer: Elaine Baker</p>	3	3

Political	Wear Valley fails to gain full benefit from County Durham's Local Area Agreements	Participate in development of targets and implementation plans Agree arrangements to pool or align funding streams	<ul style="list-style-type: none"> • Targets agreed and implementation plans being prepared • Discussions on pooling and aligning funding streams underway and implications for Wear Valley being explored <p>Lead Officer: John Docherty</p>	3	3
Political	Wear Valley District Council fails to meet its obligations to support children's centres in the district	Agree support arrangements with other agencies such as PCTs before securing sufficient budget internally	Negotiations with other agencies are taking place A budget growth bid for support for Children's Centres will be submitted in the autumn Lead Officer: Mary Hall		
Economic	Wear Valley District Council fails to meet Gershon Efficiency Savings targets	Develop value for money strategy to identify scope for efficiencies Develop corporate procurement strategy	Value for Money Strategy being developed Corporate procurement strategy being developed Opportunities for joint procurement being explored with other authorities Lead Officer: John Docherty	3	3
Sociological	Wear Valley District Council fails to meet its population targets	Integrate findings of population determinants research into council policies Work with partners to meet needs of	Local Development Framework, Improvement of Social Housing Stock, Strategic Housing Role, actions to improve quality of life in towns and villages all under way	3	3

		different sections of the population such as older and younger people	Lead Officer: John Docherty		
Technical	Failure to manage performance effectively	Procure fit for purpose Performance Management System Train employees in performance management and performance improvement	Corvu system purchased and being rolled out Training programme to be developed Lead Officer: John Docherty	3	2
Technical	Failure to consult with and engage communities effectively	Improve capacity to consult, survey, act on and feedback on what the public tell us.	SNAP survey software purchased and key staff trained. Consultation group of officers established Lead Officer: John Docherty	3	3
Technical	Failure to increase use of electronically enabled services	Participate in national e-government take up campaign	WVDC is participating in the government's national e-government take up campaign Lead Officer: John Docherty	3	3