



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Staff Establishment Control Framework
Date:	20 March 2009
Reporting Officer:	Trevor Salmon, Director of Corporate Services
Contact Officer:	Jill Minne, extension 3220. Ronan Cregan

Purpose of report

The purpose of this report is to inform Members of the arrangements in place to control staff numbers and costs and to make recommendations for improvement.

Relevant Background Information

Staffing costs account for approximately 65% of the Council's net expenditure. The key expenditure headings in this area are salaries and wages, overtime payments and agency costs. Given the materiality of this expenditure type, it is essential in terms of probity and value for money that proper control and management is exercised.

The Strategic Policy and Resources Committee recognise that it has a key role to play because of its responsibility for the Council's finances as set out in the Standing Orders. For this reason it requested a report on how best the Council can exercise control of staff numbers.

Key Issues

Current Position

The following are the key controls which currently exist to control staff numbers and costs:

1. Each department has an agreed establishment which details the number and grades of staff employed.
2. Each department has a staffing budget which should be based on the agreed establishment.
3. The staffing budgets are monitored on a monthly basis.
4. Any changes to the establishment must be carried out in accordance with the Scheme of Delegation as approved by the Council on 1 March 2007.

5. The creation of any new post which can not be financed from the existing staffing budget must be approved by the Strategic Policy and Resources Committee.
6. In order to make sure these controls are operating effectively an organisation staff vetting mechanism has been established and implemented. This means that departments do not create or fill posts or undertake structural reviews without first making a request in this regard to the corporate Human Resources section. These requests are then 'vetted' by Human Resources and Chief Officers' Management Team.

Further improvements - proposed monitoring framework

- In order to ensure improved scrutiny by Members of this area it is recommended that a report will be provided to Strategic Policy and Resources Committee on a quarterly basis which will detail staff numbers and costs for the relevant quarter and compare these to the same quarter last year. This report will also detail how much of our direct employee costs in 2008/09 and quarter one 2009/10 relate to agency workers and overtime payments.
- A baseline of staff numbers and direct employee costs detailing spend on overtime and agency workers is being established for the financial year 2008/09 in order to ensure effective prior year benchmarking can be achieved.
- These controls and monitoring arrangements will provide Members with assurance on the probity side of staff numbers and costs. The other major issue which Members have highlighted in this area is exercising scrutiny in terms of the value for money aspects of staff costs. It is recommended that employee costs should form one strand of the Budget and Transformation Panel work programme, for example the Panel may decide to explore ways of reducing agency and/or overtime costs.

Recommendations

Members are asked to :

1. Note the controls in place to manage staff numbers and costs.
2. Agree to receive a quarterly report on staff numbers and costs.
3. Agree that employee costs should form one strand of the Budget and Transformation Panel work programme.