

EAST HERTS COUNCIL

CORPORATE MANAGEMENT TEAM – 28 OCTOBER 2014

REPORT BY HEAD OF PEOPLE AND PROPERTY SERVICES

REVIEW OF TRAINING BUDGETS 2013/14 & 2014/15

WARD(S) AFFECTED:      NONE

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**Purpose/Summary of Report**

- To review the expenditure and allocation of the training budgets across the authority for 2013/14 and 2014/15

<b><u>RECOMMENDATIONS FOR CORPORATE MANAGEMENT TEAM: That:</u></b>	
(A)	The recommendations as set out in the report are approved.

**1.0      Background**

1.1      The training budget for the council has historically been allocated into three codes:

- Corporate Training Plan (0538)
- Professional Training (0590)
- Training and Development (3620)

1.2      The Corporate Training Plan is managed centrally by the Head of People and Property Services to deliver the annual Learning and Development Programme. The Learning and Development programme is agreed each year by the Human Resources Committee and offers a selection of training and development to meet corporate and individual needs. The training and development needs are identified corporately and through individual PDR's.

- 1.3 The Professional Training budget is managed by service managers. The Professional Training budget is predominantly used for vocational qualifications and seminars. Employees can be sponsored to undertake vocational qualifications relevant to their role and their personal development.

All employees funded for a qualification from a professional training budget are required to sign a training agreement in line with the Professional Career and Vocational Study Policy. The approved policy entitles East Herts to re-claim a percentage of funding if an employee leaves the Council within two years of finishing their qualification. The training agreements are recorded centrally in Human Resources.

- 1.4 The Training and Development budgets are managed by service managers. The budget is broken down per employee based on the head count each April and distributed amongst the services for additional training and development. This budget can be used for service specific training events, seminars, conference or team building away days.
- 1.5 The purpose of the report is to review the Professional Training and Training and Development budgets to establish if they are fit for purpose, the budgets are being used appropriately and whether the budgets be allocated differently in future budget years.
- 1.6 The Corporate Training Plan is not included in this review as the budget is scrutinised on an annual basis by CMT, LJP and HR Committee.

## 2.0 **Report**

### **Training Budget Review**

- 2.1 In 2013/14 both the Training and Development and Professional Training budget were corporately underspent:

2013/14	Budget	Actual	Variance
Professional Training	£57,480	£32,028	£25,452
Training & Development	£43,790	£34,484	£9,306

Financial Support Services have tracked the Professional Training and Training and Development budgets back to 2007/08.

Records show that Professional Training (0590) was overspent in 2007/08 and has been underspent for the following 6 years.

Training and Development (3620) was underspent in 2007/08, overspent in 2008/09, then underspent for the subsequent 5 years.

- 2.2 Each budget manager received a template containing the training expenditure recorded for 2013/14. The templates provided details for both Training and Development and Professional Training codes where appropriate. The managers were asked to review the detail to ensure the budgets had been appropriately used for training purposes or give reasons why any non-related training expenditure had been coded to a training code.
- 2.3 Each budget manager also received a template for 2014/15. This template was designed for managers to indicate predicated and already allocated expenditure for 2014/15. The return rate was 100% for both exercises.
- 2.4 The training review feedback 2013/14 and 2014/15 has been collated and is attached in Essential Reference Paper B.

### **3.0 Review Outcomes**

#### **Training and Development**

- 3.1 The review of 2013/14 expenditure showed that managers are spending the training budgets on general training, conferences, seminars, continued professional development and professional qualifications.
- 3.2 Not all service's and teams have direct access to either a Training and Development and/or Professional Training budget. As part of the 2004/2005 training review, each Director decided how the Professional Training and Training and Development budgets would be allocated within their directorate. No Training and Development or Professional Training budgets have been surrendered as part of a budget challenge. ERP C contains a break down of the training budgets.

- 3.3 The training codes contained various credit card payments. On investigation it was found that the Council's credit cards are being used to pay for conferences and one day events where an organisation won't accept a purchase order.
- 3.4 The review highlighted that training was being coded to the wrong budget codes and finance have been allocating the expenditure to the appropriate code.
- 3.5 Managers use the Training and Development budgets to pay for professional qualifications and training. This could be because the team does not have access to a Professional Training budget or the differences between the two are not understood by the manager.
- 3.6 Two events Project Management and Legionella were funded from service Training and Development budgets. Project Management was delivered through the Corporate Training Plan at a more reasonable cost and the Legionella could have been delivered in-house through the Health and Safety training programme.

### **Professional Development**

- 3.7 The Council are currently sponsoring two members of staff to complete a qualification and there are outstanding requests from two service areas to sponsor a qualification but those managers do not have direct access to a professional training budget.
- 3.8 The professional budgets need to be appropriate for the relevant services areas as certain officers such as surveyors and environmental health officers have to maintain a minimum amount of CPD hours as part of their professional body membership. It is evident that some services fund CPD training and others do not.

## **4.0 Learnings**

- 4.1 As part of the PDR review the element of capturing the training requirements of the individuals and services needs to be scrutinised. This is to ensure training requirements are highlighted and recorded so the appropriate training can be delivered at a corporate or local level, without duplication.

- 4.2 The allocation of training budgets needs to be reviewed to ensure they meet the requirements of the service and the continued professional development of the employees in the respective services.
- 4.3 Managers need to receive budget training to ensure they understand the relevance of the training budget and the individual codes within it. There is a lack of consistency in the way the training budgets are managed across the Council.
- 4.4 The council is an AAT accredited employer which acknowledges our support to continued professional development in this area. The accreditation is due for renewal in August 2017.

## **5.0 Recommendations**

- 5.1 The training budgets are reviewed to ensure employees have equal access to training and development across the Council; enabling each service to have access to a Training and Development budget for service specific training events, seminars, conferences and team building away days.
- 5.2 Managers receive support and training to understand the budgets under their control.
- 5.3 The Professional Training budget to be managed centrally by Human Resources as part of the Professional Career and Vocational Study Policy to ensure the policy is consistently implemented across the Council.

### **Background Papers**

None

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