



Meeting	Audit and Governance Committee
Date and Time	Wednesday, 11th October, 2023 at 6.30 pm.
Venue	Walton Suite, Winchester Guildhall

**Note:** This meeting is being held in person at the location specified above. Members of the public should note that a live video feed of the meeting will be available from the council's YouTube channel ( [youtube.com/WinchesterCC](https://www.youtube.com/WinchesterCC) ) during the meeting.

A limited number of seats will be made available at the above named location however attendance must be notified to the council at least 3 working days before the meeting. Please note that priority will be given to those wishing to attend and address the meeting over those wishing to attend and observe.

## AGENDA

### PROCEDURAL ITEMS

- 1. Apologies**  
To record the names of apologies given.
- 2. Disclosure of Interests**  
To receive any disclosure of interests from Members and Officers in matters to be discussed.  
*Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with legislation and the Council's Code of Conduct.*
- 3. Chairperson's announcements**

### BUSINESS ITEMS

- 4. To note the Audit & Governance work programme 2023/24 (Pages 5 - 6)**
- 5. Minutes of the previous meeting held on 20 July 2023 (Pages 7 - 12)**



## 6. **Public Participation**

– To receive and note questions asked and statements made from members of the public on matters which fall within the remit of the Committee..

*NB members of the public are required to register with Democratic Services three clear working days before the meeting (see below for further details).*

Members of the public and visiting councillors may speak at this Committee, provided they have registered to speak three working days in advance. Please contact Democratic Services **by 5pm on Thursday 5 October 2023** via [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) or (01962) 848 264 to register to speak and for further details.

## 7. **Q1 2023/24 Treasury Management Report (AG118) (Pages 13 - 26)**

## 8. **External audit plan 22/23 (verbal update)**

## 9. **Update on employee attitude survey 2023 (AG114) (Pages 27 - 42)**

**Laura Taylor**  
**Chief Executive**

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3 October 2023

Agenda Contact: Nancy Graham, Senior Democratic Services Officer  
Tel: 01962 848 235 email: [ngraham@winchester.gov.uk](mailto:ngraham@winchester.gov.uk)

*\*With the exception of exempt items, Agenda, reports and previous minutes are available on the Council's Website [www.winchester.gov.uk](http://www.winchester.gov.uk)*

## **MEMBERSHIP**

### **Chairperson:**

Power (Liberal Democrats)

### **Vice-Chairperson:**

Chamberlain (Liberal Democrats)

### **Conservatives**

Godfrey  
Miller

### **Liberal Democrats**

Achwal V  
Gordon-Smith

### **Deputy Members**

Bolton and Cunningham

Eve and Wise

Quorum = 3 members

## **TERMS OF REFERENCE**

Audit and Governance Committee – Included within the Council's Constitution (Part 2, Article 9)

## **PUBLIC PARTICIPATION**

A public question and comment session is available at 6.30pm for a 15 minute period. There are few limitations on the questions you can ask. These relate to current applications, personal cases and confidential matters. Please contact Democratic Services on 01962 848 264 in advance of the meeting for further details. If there are no members of the public present at 6.30pm who wish to ask questions or make statements, then the meeting will commence.

*NB members of the public are required to register with Democratic Services three clear working days before the meeting (see below for further details).*

## **FILMING AND BROADCAST NOTIFICATION**

This meeting will be recorded and broadcast live on the Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Access to Information Procedure Rules within the Council's Constitution for further information, which is available to view on the [Council's website](#). Please note that the video recording is subtitled but you may have to enable your device to see them (advice on how to do this is on the meeting page).

## **DISABLED ACCESS:**

Disabled access is normally available, but please phone Democratic Services on 01962 848 264 or email [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) to ensure that the necessary arrangements are in place.

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## WINCHESTER CITY COUNCIL – AUDIT & GOVERNANCE COMMITTEE WORK PROGRAMME – UPCOMING ITEMS

	Item	Lead Officer	Date of Meeting
1	Update on employee attitude survey 2023	Robert O'Reilly	11 Oct 2023
2	Q1 2023/24 Treasury Management Report	Liz Keys	11 Oct 2023
3	External audit plan 22/23 - verbal update	Liz Keys	11 Oct 2023
4	Constitution review	Sharon Evans	9 Nov 2023
5	Audit results report for year ending 22/23	Liz Keys	9 Nov 2023
6	Annual financial report 22/23	Liz Keys	9 Nov 2023
7	Treasury management mid-year 23/24	Liz Keys	9 Nov 2023
8	Q2 Governance Monitoring 23/24	Simon Howson	9 Nov 2023
9	Final report & pay policy statement 24/25	Robert O'Reilly	9 Nov 2023
10	Monitoring Officer's annual report 22/23	Sharon Evans	29 Feb 2024
11	Annual review of EDI Forum work	Simon Howson	29 Feb 2024
12	Auditor annual report 22/23	Liz Keys	29 Feb 2024
13	Internal audit plan 24/25	Liz Keys	29 Feb 2024
14	Internal audit charter 24/25	Liz Keys	29 Feb 2024
15	Planning for and audit of the 23/24 accounts	Liz Keys	29 Feb 2024
16	Local Code of Corporate Governance	Simon Howson	29 Feb 2024
17	Risk Management Policy 24/25	Amy Tranah	29 Feb 2024
18	Q3 governance monitoring 23/24	Simon Howson	29 Feb 2024
19	Review of the complaints process	Sharon Evans	29 Feb 2024
20	External audit plan 22/23 (date tbc)	Liz Keys	

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## **AUDIT AND GOVERNANCE COMMITTEE**

**Thursday, 20 July 2023**

Attendance:

Councillors  
Power (Chairperson)

Chamberlain  
Achwal V  
Godfrey

Gordon-Smith  
Miller

Other members in attendance:

Councillor Tod (Leader and Cabinet Member for Asset Management)  
Councillor Cutler (Cabinet Member for Finance and Performance)

[Video recording of this meeting](#)

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### 1. **APOLOGIES**

Apologies were received from Councillor Becker (Cabinet Member for Community and Engagement) and Councillor Cutler (Cabinet Member for Finance and Performance), the latter joined the meeting virtually to observe only.

### 2. **DISCLOSURE OF INTERESTS**

There were no disclosures of interest made.

### 3. **CHAIRPERSON'S ANNOUNCEMENTS**

Councillor Power provided an update on a future of public sector accounting webinar she had recently attended, including possible future proposals to change public sector accounts to aid their general understandability.

### 4. **AUDIT & GOVERNANCE WORK PROGRAMME 2023/24**

In response to questions, the Strategic Director and Monitoring Officer confirmed that members would continue to be fully involved in the constitution review process, including through meetings of the Constitution Working Group proposed to take place prior to consideration of the report at the next Audit & Governance Committee meeting.

RESOLVED:

That the contents of the work programme be noted.

5. **MINUTES OF THE PREVIOUS MEETING**

RESOLVED:

That the minutes of the previous meeting held on 12 June 2023 be agreed as a correct record.

6. **PUBLIC PARTICIPATION**

There were no members of the public in attendance.

7. **TREASURY MANAGEMENT OUTTURN 22/23**  
(AG109)

Andrew Boutflower (Hampshire County Council) introduced the report and responded to Members' questions thereon. The Chief Finance Officer also responded to questions regarding the impact of reserve balances on the internal borrowing relationship between the Housing Revenue Account and General Fund.

RESOLVED:

That the Annual Treasury Outturn Report 2022/23 be noted.

8. **ANNUAL INTERNAL AUDIT REPORT & OPINION 22/23, LESS EXEMPT APPENDIX**  
(AG111)

Anthony Harvey (Southern Internal Audit Partnership) introduced the report and responded to Members' questions thereon, including confirming that their overall audit opinion for the council compared favourably with other local authorities audited by SIAP.

The Senior Policy and Programme Manager also responded to questions regarding the progress on the project management audit. The Chief Finance Officer confirmed that management actions were in hand to ensure that all staff were reminded of the requirement that all contracts over £5k were included on the Contracts Register.

The Committee members then moved to exempt session to discuss the contents of the exempt appendices before returning to open session to consider the recommendations as set out below.

RESOLVED:

That the Chief Internal Auditor's Annual Report and Opinion for 2022-23 attached as Appendix 1 to the report be noted.



9. **CERTIFICATION OF CLAIMS AND RETURNS ANNUAL REPORT 2022/23**  
(AG110)

The Service Lead - Revenues and Benefits introduced the report and responded to Members' questions thereon.

RESOLVED:

That the Annual Report as attached as Appendix 1 to the report be noted.

10. **WORKFORCE REPORT 22-23**  
(AG102)

The Service Lead - Human Resources introduced the report and responded to members' questions on the following:

- a) Current levels of turnover at the council and measures being taken to reduce this.
- b) Use of apprentices.
- c) The policy enabling staff to work up to 50% of their time at home if they wished to and health and safety monitoring of working conditions at home. The Service Lead advised that a review was in progress and he would report back to the next meeting of the Committee.
- d) The current age profile and ethnic mix of staff.
- e) The opportunities for professional development of staff.

RESOLVED:

That the report be noted.

11. **Q1 GOVERNANCE MONITORING 23/24 (AG107)**  
(AG107)

The Monitoring Officer introduced the report and together with the Corporate Head of Finance responded to members' questions on the following:

- a) The process for monitoring potential trends in complaints received.
- b) Accessing council flats to install fire safety improvements – it was agreed that more detailed information be obtained from Housing Property Services on measures available to the council on ensuring access.
- c) The progress with the council's Transformation Challenge 2025 programme.

RESOLVED:

That the content of the report, including the update provided in the Health & Safety Annual Report 2022/23, and the progress against the internal audit management actions be noted.

12. **DRAFT ANNUAL FINANCIAL REPORT 22/23**  
(AG113)

The Chief Finance Officer introduced the report.

RESOLVED:

That the council's Draft Statement of Accounts for 2022/23 be noted.

13. **EXEMPT BUSINESS:**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

<u>Minute Number</u>	<u>Item</u>	<u>Description of Exempt Information</u>
14	Annual internal audit report & opinion 22/23 (exempt appendix)	) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)

14. **ANNUAL INTERNAL AUDIT REPORT & OPINION 22/23 EXEMPT APPENDIX**  
(AG111)

Anthony Harvey introduced the contents of the exempt appendix which gave further information regarding the audit review of a service which had concluded with a "limited assurance opinion". He provided assurances regarding the preventative action already undertaken by the council to address the concerns raised.

Mr Harvey and the Chief Finance Officer responded to members' questions regarding measures already taken and future action proposed. It was requested that regular updates be provided to members as actions are progressed and the Chief Finance Officer agreed to undertake this.

RESOLVED:

That the contents of the exempt appendix be noted.

The meeting commenced at 6.30 pm and concluded at 8.00 pm

Chairperson

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REPORT TITLE: TREASURY MANAGEMENT Q1 REPORT 2023/24

11 OCTOBER 2023

REPORT OF CABINET MEMBER: Cllr Neil Cutler, Cabinet Member for Finance and Performance

Contact Officer: Liz Keys Tel No: 01962 848421 Email lkeys@winchester.gov.uk

WARD(S): ALL WARDS

## PURPOSE

In accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management, this report provides details of the performance of the treasury management function; on the effects of the decisions taken and the transactions executed in the first three months of the financial year; and confirmation that there were no instances of non-compliance with the council's Treasury Management Strategy Statement and Treasury Management Practices, for the first quarter of 2023/24.

## RECOMMENDATIONS:

1. Note the Q1 Treasury Management Report for 2023/24.
2. Note that whilst there no instances of non-compliance with the council's Treasury Management Strategy in Q1, there was an overnight breach of the counterparty limit in August as outlined in section 20 of the report. The breach was rectified the following day and no financial loss was incurred.

## IMPLICATIONS:

### 1 COUNCIL PLAN OUTCOME

- 1.1 Treasury management is an integral part of helping to deliver the council Strategy and all of its outcomes. Of key importance is ensuring the security and sufficient liquidity of the council's cash and investment balances whilst, where possible, optimising the yield from those investments. The income from investments is available to be used by the council in achieving its objectives.

### 2 FINANCIAL IMPLICATIONS

- 2.1 Effective treasury management ensures both the financial security and liquidity of the council.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Council's Treasury Management Strategy Statement follows the latest codes of practice and the MHCLG and CIPFA guidance.
- 3.2 With effect from September 2014 Hampshire County Council (HCC) and Winchester City Council (WCC) established arrangements for the joint discharge of functions under Section (101)(1) and (5) of the Local Government Act 1972 and Section 9EA and 9EB Local Government Act 2000. Under this arrangement, HCC's Investments and Borrowing Team provide a Treasury Service which includes the management of WCC's cash balances and investment of surplus cash or sourcing of short-term borrowing in accordance with the agreed Treasury Management Strategy Statement.

### 4 WORKFORCE IMPLICATIONS

- 4.1 HCC's Investments and Borrowing Team carry out the day to day management of the council's cash balances and investments. The council's in-house finance team undertake the accounting and retain responsibility for long-term borrowing decisions.

### 5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

### 6 CONSULTATION AND COMMUNICATION

- 6.1 This report has been produced in consultation with HCC's Investments & Borrowing team.

### 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Following the council's declaration of a Climate Emergency in June 2019 and in line with the ethical stances in its investment policy, the council has no direct or indirect equity investments in companies directly involved in the fossil fuel industry.

## 8 EQUALITY IMPACT ASSESSEMENT

8.1 There are no actions which arise directly from this report.

## 9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None required

## 10 RISK MANAGEMENT

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
<i>Returns from investments are too low</i>	A diversified strategy that attempts to manage the balance between liquidity risk, credit risk and yield within the council's risk appetite.	Returns above budgeted levels
<i>A counterparty fails</i>	A diversified strategy that has relatively low levels of counter-party risk	
<i>Cash is not available</i>	A balanced portfolio of liquid and long term funds are held to ensure cash is available to utilise. The council also mitigates this risk through cashflow forecasting	More accurate and immediate cashflow forecasting can help improve the return on investments through more active treasury management activity

## 11 SUPPORTING INFORMATION:

### 12 Introduction

12.1 The Council has adopted the key recommendations of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), last updated in 2021 which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

12.2 This quarterly report provides an additional update and includes the new requirement in the 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the council's quarterly finance and performance monitoring reports.

### 13 Summary

13.1 The report fulfils the council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code and provides an update on the

performance of the treasury management function during the first quarter of 2023/24.

- 13.2 The council's treasury management strategy was most recently updated and approved at a meeting of Full Council in February 2023. The council has borrowed and invested sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the council's treasury management strategy.
- 13.3 Treasury management in the context of this report is defined as: "the management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 13.4 Hampshire County Council's Investments & Borrowing Team has been contracted to manage the council's treasury management balances since September 2014 but overall responsibility for treasury management remains with Winchester City Council. No treasury management activity is without risk and as such the effective identification and management of risk are integral to the council's treasury management objectives.
- 13.5 All treasury activity in the first quarter has also complied with the council's Treasury Management Strategy and Investment Strategy for 2023/24, and all relevant statute, guidance and accounting standards. However, a breach of the Strategy did occur on an overnight basis in Q2, and this is explained in further detail in the Compliance section later in this report. In addition, advice in undertaking treasury management activities has been provided by the council's treasury advisers, Arlingclose.
- 13.6 The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by Full Council covering capital expenditure and financing, treasury management and non-treasury investments. The latest iteration of the council's Capital and Investment Strategy, complying with CIPFA's requirement, was approved by Full Council in February 2023 (CAB3389).

## 14 External Context

- 14.1 The following sections outline the key economic themes in the UK against which investment and borrowing decisions have been made so far in 2023/24.

### Economic commentary

- 14.2 From the start of the quarter until May it looked like peak global monetary policy rates were in sight as inflation continued to ease and central banks turned more dovish in tone. Only a few weeks later, stronger and more persistent inflation data, particularly in the UK, changed the picture. Central



Bank rhetoric and actions remained consistent with combatting inflation. The Bank of England, US Federal Reserve, and European Central Bank all increased interest rates over the period, even in the face of potential economic slowdowns in those regions.

- 14.3 Inflation fell from its peak of 11.1% reached in October 2022, but annual headline CPI in May 2023 was higher than the consensus forecast at 8.7% (8.4% expected), largely driven by services inflation, while the annual measure of underlying core inflation rose to 7.1% from 6.8%.
- 14.4 After a sharp rise in interest rate expectations, with clearly serious implications for mortgage markets due to higher inflation and wage data, the Bank of England's Monetary Policy Committee (MPC) reaccelerated monetary policy tightening over the period with a 0.25% rise in May and a 0.5% rise in June 2023, taking the Bank Rate to 5.0%. At both meetings the vote was 7-2 in favour of increasing rates, with the two dissenters preferring to keep rates on hold.
- 14.5 Interest rate expectations priced in further hikes in policy rates. Arlingclose, the authority's treasury adviser, revised its forecast to include a further 0.5% of monetary tightening to take Bank Rate to 5.5%; as at the date of this report, the Bank Rate had increased by a further 0.25% in August 2023, taking the rate to 5.25%. The risks, however, are that rates could be higher; financial markets are forecasting policy interest rates above 6%. The MPC are next scheduled to meet to consider the Bank Rate on the 21 September 2023, and a verbal update will be provided to this meeting.
- 14.6 With many mortgages at low fixed rates now systematically being re-set over the next 12-24 months at higher rates there has been a lagged effect of the feed through of monetary policy on households' disposable income. The economic slowdown is expected to develop over time and therefore, despite the GfK measure of consumer confidence improving to -24 in June 2023, it is likely confidence will be negatively affected at some point. The manufacturing sector contracted during the quarter according to survey data, which will eventually feed into services, whose expansion is slowing.

#### Financial markets

- 14.7 Financial market sentiment and bond yields remained volatile, the latter continuing their general upward trend as uncertainty and concern over higher inflation and higher interest rates continued to dominate.
- 14.8 Gilt yields rose over the period to 30 June 2023. The 5-year UK benchmark gilt yield rose from 3.30% to 4.67%, the 10-year gilt yield from 3.43% to 4.39%, and the 20-year yield from 3.75% to 4.51%. Yields remain elevated and, being the basis for the PWLB's lending rates, this impacts the cost of borrowing, keeping interest rates higher.

Credit review

- 14.9 Having completed a review of its credit advice on unsecured deposits at UK and non-UK banks following concerns of a wider financial crisis after the collapse of Silicon Valley Bank and the purchase of Credit Suisse by UBS, as well as other well-publicised banking sector issues, in March 2023 Arlingclose reduced the advised maximum duration limit for all banks on its recommended counterparty list to 35 days. No changes were made to the names on the list.
- 14.10 Arlingclose continued to monitor and assess credit default swap levels for signs of ongoing credit stress but made no changes to the counterparty list or recommended durations over the quarter. Nevertheless, heightened market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remains under constant review.

15 Local Context

- 15.1 On the 31 March 2023, the council had net investments of £23.6m. The treasury management position at 30 June 2023 and the change over the quarter is shown in Table 1 below.

<b>Table 1: Treasury management summary</b>	<b>31/03/23 Balance £m</b>	<b>Movement £m</b>	<b>30/06/23 Balance £m</b>	<b>30/06/23 Rate %</b>
Long-term borrowing	(156.7)	0.0	(156.7)	3.25
Short-term borrowing	(5.0)	0.0	(5.0)	2.70
<b>Total borrowing</b>	<b>(161.7)</b>	<b>0.0</b>	<b>(161.7)</b>	<b>3.24</b>
Long-term investments	5.0	0.0	5.0	3.50
Short-term investments	7.0	(0.7)	6.3	4.27
Cash and cash equivalents	11.6	5.9	17.5	4.73
<b>Total investments</b>	<b>23.6</b>	<b>5.2</b>	<b>28.8</b>	<b>4.41</b>
<b>Net borrowing</b>	<b>(138.1)</b>	<b>5.2</b>	<b>(132.9)</b>	

Note: the figures in Table 2 are from the balance sheet in the council's accounts but adjusted to exclude operational cash, accrued interest and other accounting adjustments.

- 15.2 The decrease in net borrowing of £5.2m reflects the normal pattern of the Council's cash balances, with higher balances at the start of the financial year due to, for example, higher receipt of council tax in the first quarter compared to the final quarter. No change to the borrowing position has occurred in the first quarter of 2023/24.

## 16 Borrowing Update

- 16.1 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.
- 16.2 The Authority has not invested in assets primarily for financial return or that are not primarily related to the functions of the Authority. It has no plans to do so in future.
- 16.3 The Council is a net borrower and as stated in the Treasury Management Strategy 2023/24, the council expects a positive liability benchmark across the forecast period, which generally means an authority is required to take external borrowing to fund the gap between its resources and the CFR. Although the council currently has taken external borrowing, this is not predicted to be sufficient to meet the CFR and, depending on the internal borrowing position, further borrowing will be considered by the Section 151 Officer if required.
- 16.4 The Section 151 Officer will review the current pooled fund investment prior to making any external borrowing decisions.

## 17 Borrowing Strategy

- 17.1 At 30 June 2023 the council held £161.7m of loans, the vast majority of which (£156.7m) relates to the financing settlement of the HRA in 2012. Outstanding loans on 30 June 2023 are summarised in Table 2 below.

<b>Table 2: Borrowing position</b>	<b>31/03/23 Balance</b>	<b>Net movement</b>	<b>30/06/23 Balance</b>	<b>30/06/23 Weighted average rate</b>	<b>30/06/23 Weighted average maturity (years)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>%</b>	
Public Works Loan Board	(161.7)	0.0	(161.7)	3.24	19.8
<b>Total borrowing</b>	<b>(161.7)</b>	<b>0.0</b>	<b>(161.7)</b>	<b>3.24</b>	<b>19.8</b>

Note: The figures in the table above are from the balance sheet in the council's accounts but adjusted to exclude accrued interest.

- 17.2 The council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the council's long-term plans change is a secondary objective.

17.3 This borrowing strategy has been monitored with the assistance of Arlingclose and has enabled the council to keep long-term borrowing costs low and mitigates against future interest rate increases.

## 18 Treasury Investment Activity

18.1 CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20 December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

18.2 The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year to date the Council's investment balances have ranged between £25.2m and £43.0m due to timing differences between income and expenditure. The investment

<b>Table 3: Treasury investment position</b>	<b>31/03/23 Balance</b>	<b>Movement</b>	<b>30/06/23 Balance</b>	<b>30/06/23 Income return</b>	<b>30/06/23 Weighted average maturity (years)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>%</b>	
<b>Short term investments:</b>					
Banks and building societies:					
- Unsecured	3.3	(3.3)	0.0	3.17	0.09
- Secured	0.0	1.3	1.3	5.13	0.54
Money market funds	7.8	9.7	17.5	4.73	0.00
Government:					
- UK treasury bills	6.5	(2.5)	4.0	4.51	0.23
Cash plus funds	1.0	0.0	1.0	2.22	0.00
<b>Total</b>	<b>18.6</b>	<b>5.2</b>	<b>23.8</b>	<b>4.61</b>	<b>0.07</b>
<b>High yield investments</b>					
- Pooled property fund*	5.0	0.0	5.0	3.50	N/A
<b>Total</b>	<b>5.0</b>	<b>0.0</b>	<b>5.0</b>	<b>3.50</b>	<b>N/A</b>
<b>Total investments</b>	<b>23.6</b>	<b>5.2</b>	<b>28.8</b>	<b>4.41</b>	<b>0.06</b>

position is shown in Table 3 below.

\* The rate provided for the pooled property fund investment is reflective of annualised income returns over the year to 30 June 2023.

Note: the figures in Table 4 are from the balance sheet in the council's accounts but adjusted to exclude operational cash, accrued interest and other accounting adjustments.

- 18.3 The CIPFA Code and government guidance both require the council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The council's objective when investing money is therefore to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults against the risk of receiving unsuitably low investment income. The council's Treasury Management Strategy Statement (TMSS) sets out how it will manage and mitigate these risks.
- 18.4 As demonstrated by the liability benchmark in this report, the council expects to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.
- 18.5 Bank Rate increased by 0.75%, from 4.25% at the beginning of April to 5% by the end of June 2023, with the prospect of further increases to come. Short-dated cash rates rose commensurately, with 3-month rates rising to around 5.25% and 12-month rates to nearly 6%. The rates on DMADF deposits also rose, ranging between 4.8% and 5.4% by the end of June and Money Market Rates between 4.7% and 4.9%.
- 18.6 The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 4 below.

<b>Table 4: Investment benchmarking (excluding pooled funds)</b>	<b>Credit rating</b>	<b>Bail-in exposure</b>	<b>Weighted average maturity (days)</b>	<b>Rate of return</b>
		<b>%</b>		<b>%</b>
31.03.2023	AA-	63	27	3.95
30.06.2023	A+	77	27	4.73
Similar LAs	A+	65	45	4.50
All LAs	A+	63	11	4.44

- 18.7 Table 5 shows the average credit rating of the portfolio has dropped from AA- to A+, with an increase in bail-in risk exposure when compared to March 2023. This does not reflect that a significant proportion of liquid balances are invested in money market funds, which are technically exposed to bail-in risk however these are diversified products and are considered by Arlingclose to be 'bail-in risk light'. Despite this, the council's investment portfolio compares favourably to other Arlingclose clients, with a higher average rate of return and lower maturity profile than comparative Authorities.

#### Externally managed pooled property fund

- 18.8 £5m of the Authority's investments is invested in an externally managed strategic pooled property fund where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income

and long-term price stability. This fund has generated an average total return of 23.35% since purchase.

- 18.9 UK property markets continued to struggle as higher interest rates and bond yields and higher funding costs weighed on the sector. There was some improvement in May, building on signs of returning investor interest and transactional activity in calendar Q1 and a perception that the downturn in commercial real estate may be bottoming out. This has helped support capital values and rental income. The additional move upwards in yields in late May/June and the prospect of sluggish economic growth however constrain the outlook.
- 18.10 Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.
- 18.11 In April 2023 the Department for Levelling Up, Housing and Communities published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for 2 years until 31 March 2025 but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to the consultation outcome suggests not. The council will discuss with Arlingclose the implications for the investment strategy and what action may need to be taken.

## 19 Non-Treasury Investments

- 19.1 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the council as well as other non-financial assets which the council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
- 19.2 Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) and Welsh Government also broadens the definition of investments to include all such assets held partially or wholly for financial return.
- 19.3 This could include loans made to local businesses or the direct purchase of land or property and such loans and investments will be subject to the Council's normal approval process for revenue and capital expenditure and need not comply with the treasury management strategy.

19.4 Further information on the council's non-Treasury investments is included in the Capital Investment Strategy (CAB3389) presented to Cabinet on 9th February 2023, and in the General Fund Outturn (CAB3416) presented to Cabinet on 13<sup>th</sup> September 2023.

## 20 Compliance Report

20.1 The council confirms compliance of all treasury management activities undertaken during the first quarter of 2023/24 with the CIPFA Code of Practice and the council's approved Treasury Management Strategy.

20.2 During the second quarter of 2023/24 an overnight breach of the Strategy occurred. On 15<sup>th</sup> August, £4.5m was invested with the BlackRock Money Market Fund (MMF), taking the total investment with the Fund to £9.38m which is above the £7m counterparty limit outlined in the Strategy. This error was spotted the following day and immediately corrected to bring the amount invested below the strategy limit, so the overall exposure was minimal and there was no financial loss. The breach was reported to the S151 officer on 23 August 2023.

20.3 This error was a result of the BlackRock trade being mistakenly allocated against another MMF on internal records, and therefore the controls intended to identify that a potential trade would breach the strategy were not triggered.

20.4 Subsequent discussions have emphasised the importance of accuracy, with a review of the process taking place to avoid future breaches.

20.5 Compliance with the authorised limit and operational boundary for external debt is demonstrated in Table 5 below.

<b>Table 5: Debt limits</b>	<b>Q1 2023/24 Maximum £m</b>	<b>30/06/23 Actual £m</b>	<b>2023/24 Operational Boundary £m</b>	<b>2023/24 Authorised Limit £m</b>	<b>Complied?</b>
Total debt	162.4	162.4	296.8	310.5	✓

20.6 Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

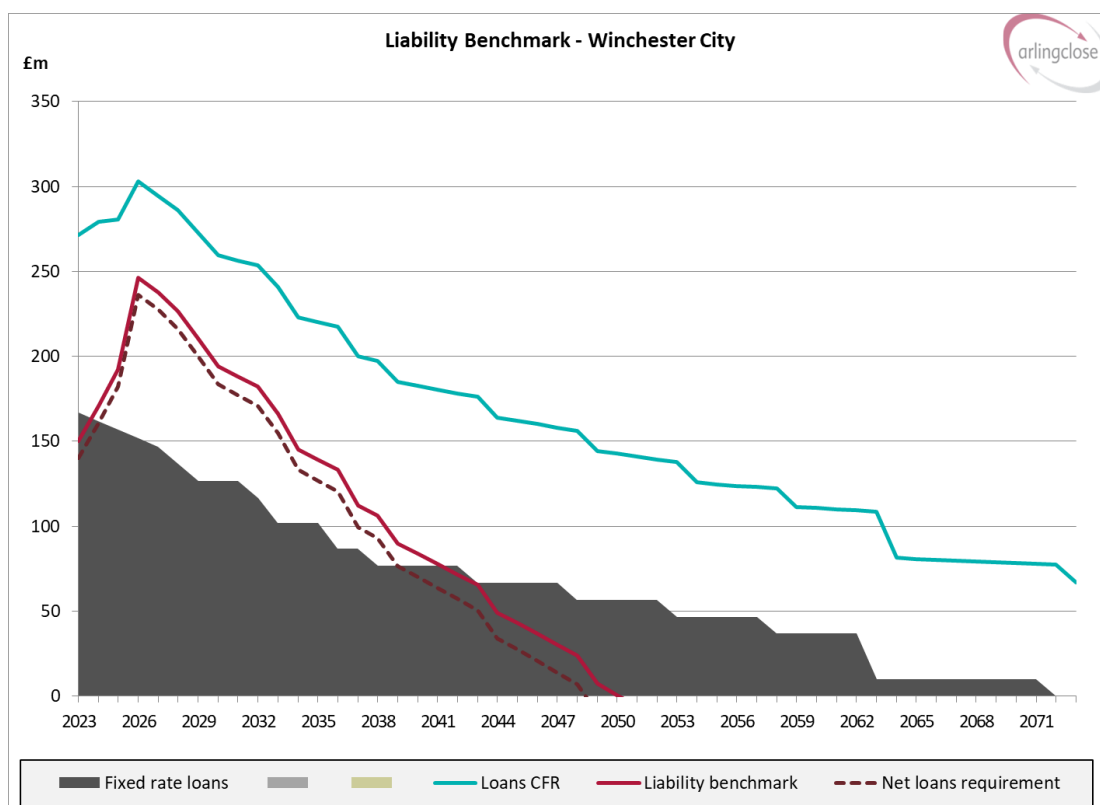
## 21 Treasury Management Indicators

21.1 As required by the 2021 CIPFA Treasury Management Code, the Authority monitors and measures the following treasury management prudential indicators.

### Liability benchmark

- 21.2 This new indicator compares the council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow:

<b>Table 6: Liability benchmark</b>	<b>31/03/23 Actual £m</b>	<b>31/03/24 Forecast £m</b>	<b>31/03/25 Forecast £m</b>	<b>31/03/26 Forecast £m</b>
Loans CFR	271.4	279.5	280.5	302.9
Less: Balance sheet resources	(133.3)	(118.7)	(98.4)	(66.7)
<b>Net loans requirement</b>	<b>138.1</b>	<b>160.8</b>	<b>182.1</b>	<b>236.2</b>
Plus: Liquidity allowance	10	10	10	10
<b>Liability benchmark</b>	<b>148.1</b>	<b>170.8</b>	<b>192.1</b>	<b>246.2</b>
<b>Existing borrowing</b>	<b>(161.7)</b>	<b>(156.7)</b>	<b>(151.7)</b>	<b>(151.7)</b>



- 21.3 The table and graph above illustrate the council expects a positive liability benchmark across the forecast period, which generally means an authority is required to take external borrowing to fund the gap between its resources and



the CFR. The chart shows that if it is to deliver its capital programme as planned, the Council will need to take out additional external borrowing as reflected in the gap between the liability benchmark (the red line) and the existing borrowing (the grey area). This requirement will be considered by the Section 151 Officer in consultation with Arlingclose and the Investments & Borrowing team at Hampshire County Council to ensure borrowing is undertaken at the most appropriate time.

#### Maturity structure of borrowing

- 21.4 This indicator is set to control the council's exposure to refinancing risk. The upper and lower limits show the maximum and minimum maturity exposure to fixed rate borrowing as agreed in the TMSS:

<b>Table 7: Refinancing rate risk indicator</b>	<b>31/03/23 Actual</b>	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Complied</b>
Under 12 months	3%	25%	0%	✓
12 months and within 24 months	3%	25%	0%	✓
24 months and within 5 years	15%	25%	0%	✓
5 years and within 10 years	15%	30%	0%	✓
10 years and within 20 years	22%	50%	0%	✓
20 years and within 30 years	12%	50%	0%	✓
30 years and within 40 years	23%	75%	0%	✓
40 years and within 50 years	6%	100%	0%	✓

#### Principal sums invested for periods longer than a year

- 21.5 The purpose of this indicator is to control the council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

<b>Table 8: Price risk indicator</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Actual principal invested beyond year end	£5m	£5m	£5m
Limit on principal invested beyond year end	£25m	£25m	£25m
Complied	✓	✓	✓

- 21.6 The table includes investments in strategic pooled funds of £5m as although these can usually be redeemed at short notice, the council intends to hold these investments for at least the medium term.

## 22 OTHER OPTIONS CONSIDERED AND REJECTED

- 22.1 The council could elect to bring all treasury management activity back in-house. This option has been rejected as the arrangement with Hampshire County Council's Investments and Borrowing team provides significant resilience and economies of scale.
- 22.2 The council could make more risky investments than those proposed in the Strategy to increase its yield. This has been rejected as priority is given to ensuring security and liquidity in line with the key principles of the CIPFA Treasury Management Code.

### BACKGROUND DOCUMENTS:-

#### Previous Committee Reports:-

AUD119: Treasury Management Practices, 22 June 2015

CAB3390: Treasury Management Strategy 2023/24, 9 February 2023

AG109: Treasury Management Outturn 2022/23, 20 July 2023

#### Other Background Documents:-

None

### APPENDICES:

None

REPORT TITLE: UPDATE ON EMPLOYEE ATTITUDE SURVEY 2023

11 OCTOBER 2023

REPORT OF CABINET MEMBER: CLLR NEIL CULTER, CABINET MEMBER FOR FINANCE AND PERFORMANCE

Contact Officer: Robert O'Reilly Tel No: 07890732036 Email [ROReilly@winchester.gov.uk](mailto:ROReilly@winchester.gov.uk)

WARD(S): ALL

PURPOSE

The purpose of this report is to present the results of the second Employee Attitude Survey (EAS) which took place in June 2023. Following this committee, the results will be published on the HR intranet site and shared with colleagues via an article in City Voice in early October.

RECOMMENDATIONS:

That the report of the 2023 Employee Attitude Survey be noted including the action points at Section 12.

## IMPLICATIONS:

### 1 COUNCIL PLAN OUTCOME

- 1.1 The engagement and performance of the Council's workforce is critical to the delivery of all outcomes set out in the Council Plan.

### 2 FINANCIAL IMPLICATIONS

- 2.1 None. The survey was undertaken 'in-house' so no additional budget was required.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 None.

### 4 WORKFORCE IMPLICATIONS

- 4.1 Employees are critical to the delivery of the council's services and priorities and monitoring and reporting on employee attitudes enables enhanced employee engagement and performance.

### 5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None.

### 6 CONSULTATION AND COMMUNICATION

- 6.1 The results have been shared with senior management, Unison and the Staff Forum. Results will be published on the intranet and colleagues will be made aware of the results through an article in City Voice.

### 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 None.

### 8 PUBLIC SECTOR EQUALITY DUTY

- 8.1 This was an internal survey. An equality impact assessment was completed and indicated that carrying out the survey did not impact on any group with protected characteristics.

### 9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 This raw data from individual employees was subject to the council's data protection controls. The results published are anonymised and therefore can have no impact on an individual's privacy rights under data protection law.

10 RISK MANAGEMENT

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
Financial Exposure <i>Low employee engagement leading to high staff turnover and increased recruitment and agency costs.</i>	Ongoing employee attitude and engagement monitoring to enable early identification and remedial action to avoid retention difficulties.	Promotion of the council as an employer of choice.
Exposure to challenge <i>Spend of public money on an internal survey.</i>	Survey conducted in-house to minimise cost.	Positive results from survey can be used in recruitment materials.
Reputation <i>Failure to deliver public services and the Council Plan due to reduced workforce capacity, leading to public criticism and/or adverse local media coverage.</i>	Ongoing employee attitude and engagement monitoring to enable early identification and remedial action where retention difficulties could impact on the Council's ability to deliver public services and the Council Plan.	Identify and implement targeted employment initiatives and actions to increase employee engagement and minimise staff turnover.  Promote the council as an employer of choice.
Achievement of outcome <i>Low employee engagement leading to poor performance and high recruitment &amp; retention difficulties.</i>	Annual employee attitude survey to monitor trends and identify and address potential issues.	Early identification of emerging negative attitudes to inform timely initiatives and actions to avoid these becoming business critical.

11 SUPPORTING INFORMATION:

- 11.1 The 2023 Employee Attitude Survey (EAS) ran for four weeks over the period 12 June – 7 July 2023. The purpose of the survey is to find out how employees feel about various aspects of their working lives at the council and to inform senior managers and elected members how engaged employees are with their work and the Council as a whole.
- 11.2 This is the second survey managed internally by HR following the accepted recommendation to the Audit and Governance Committee that a survey be undertaken every 12 months. Repeating the survey at the same time each year allows the council to monitor trends and identify areas of concern and intervene accordingly. It also provides a means of measuring the impact of

any initiatives implemented because of issues identified in the previous year's survey.

- 11.3 At the time of the survey, the Council employed 450 staff (headcount). The survey achieved a participation rate of 65% which is considered good by industry standards.
- 11.4 The survey was hosted on 'Citizen Space', a digital platform widely used across the public sector for the design, publication, management, and analysis of consultation activity. All staff received a link to the survey via their work email address and were able to complete the survey during working time. To facilitate participation, HR would have provided the survey in an alternative format if requested.
- 11.5 The survey asked employees to consider the same 14 statements as those used in the 2022 survey and indicate if they strongly agree; agree; neither agree or disagree; disagree; or strongly disagree. This allows for direct comparison of results between both surveys. The statements cover four key employment areas: **employee engagement; a good working environment; the working relationships that allow employees to perform effectively; and how involved employees feel in the priorities of their service and the council as a whole.** The results for each of these areas will be considered in more detail in this report.  
Demographic data was extended this year to include gender, age and length of service in addition to service area. HR will analyse the demographic data. This will allow any issues concerning Equality, Diversity and Inclusion to be addressed.  
A summary of the results is attached at Appendix 1.
- 11.6 There was a high participation rate by industry standards at 65% (67%).
- 11.7 For convenience, this report will combine the 'strongly agree' and 'agree' to give the percentage of positive comments; and, equivalent 2022 data is shown in red.
- 11.8 Appendix 2 shows a comparison of 2022/2023 results showing changes of more than 3%.

### ***Employee engagement***

- 11.9 The statements about enjoying working for the council; pride in the council; and recommending the council as a good place to work are based on a concept called "employee engagement". Gallup defines employee engagement as the involvement and enthusiasm of employees in their work and workplace.
- 11.10 Research shows that organisations with high employee engagement also enjoy high levels of performance and productivity and lower levels of sickness and grievances. Therefore, it is good news that the council scored highly on these statements, with increases on 2022 results in all cases: 84% (79%) positive response for "*I enjoy working at the council*"; 72% (61%) positive response for "*I would recommend the council as a great place to work to my*

*family and friends*"; and, 73% (71%) positive response for *"I am proud to work for the council"*.

- 11.11 Most employee surveys will include a statement about intentions to remain as this is a strong indicator of whether employees are happy with their current employer. This is particularly salient given the widely reported recruitment and retention challenges in the public sector.

The good news for the council is the increase at 71% (69%) on employees giving a positive response to *"I will still be working at the council in 12 months' time"* compared to this same time last year. Encouragingly the number of employees who do not see themselves working for the council in 12 months' time has decreased from 10% to 6%. This is slightly at variance with the increased annual turnover (16.7%) reported in the A&G102 Workforce Report 2022/23 and it is assumed this is an early indication of the positive impact on staff engagement and retention of the grading structure changes implemented in April 2023. This data strongly suggests that employee turnover will drop in 2023/24 and a figure closer to 12% would be welcome.

### **Working Environment**

- 11.12 Turning to a good working environment, the policies that an employee might expect to see in a modern high performing organisation are training and development; equality and diversity; health and safety; and provision of good quality equipment.
- 11.13 A positive response rate of 71% (71%) was recorded for *"I am able to get the training and development I need at work"*. It is still too early to expect scores to reflect the positive impact of a renewed post-pandemic corporate focus on learning and development. Encouragingly however, staff disagreeing with this statement has dropped to 8.5% from 12% in 2022 and most likely reflects the interim work HR has been doing with managers to foster training and development at a local level.
- 11.14 *"The council is committed to ensuring equality at work for all its employees"* received a 75% (69%) positive response. This is important as a workplace committed to equality, diversity and inclusion is more successful and less likely to have issues such as bullying, harassment and discrimination.
- 11.15 Ongoing wellbeing initiatives managed by HR, the new corporate health and safety group and the work of the Health and Safety Manager has clearly had a positive impact with 74% (67%) responding positively to *"the council takes the health and wellbeing of its employees seriously"*.
- 11.16 The council continues to facilitate hybrid working through the provision of the right equipment, whether that be working in the office or remotely, and scores for *"I have the equipment I need to be successful in my work"* have remained high at 75% (73%) positive.

### **Working relationships**

- 11.17 Turning next to the working relationships that allow employees to perform effectively, the HR literature shows that people are motivated to do their very best work if they have good working relationships with their colleagues and especially their line manager.
- 11.18 *“My manager cares about me as a person”* might possibly be the most important question in the whole survey. The continued positive response of 85% (86%) indicates managers are continuing to embrace and successfully navigate the hybrid working challenges and highlights the positive culture at the council where the well-being of employees is regularly discussed by managers.
- 11.19 The parallel statement *“my line manager gives me regular feedback on my performance at work”* received a 76% (77%) positive response from employees. It is too soon for this score to reflect the expected positive impact of the revised appraisal form and accompanying training for managers from April this year. The result should be slightly higher next year.
- 11.20 The other dimension of satisfaction at work is the working relationships employees enjoy with their colleagues. The positive response for *“The colleagues in my team are supportive and friendly”* is again very high this year at 95% (94%), which is a very pleasing result given that hybrid working means fewer opportunities for employees to spend time together at work.

### **Council and service priorities**

- 11.21 Turning finally to how involved employees feel in the priorities of their service and the council as a whole: employees need to understand what the organisation is trying to achieve; how they fit into that journey; and notice the communications that keep them informed of progress.
- 11.22 81% (72%) of employees responded positively to *“I understand the top priorities of Winchester City Council”* and 90% (92%) responded positively to *“I understand the key objectives of my service”*. It is not unusual for employees to know and care more about their immediate objectives than the higher priorities of the overall organisation.
- 11.23 The final statement to consider is *“I would say that changes at work are communicated to employees quickly and clearly”*. Compared to the rest of the survey this statement received a positive response of 55% (45%) and a slightly lower negative response compared to last year at 20% (24%) (the remainder were ‘neither agree nor disagree’). This shows that there has been some positive impact of efforts following last year’s survey to improve communications. This is an area for continued discussion with relevant key stakeholders to ensure that the 10% improvement since last year continues to improve next year.



11.24 The survey also included a free text section to provide employees with the opportunity to add any comments they wished to make, and a summary of the comments received is attached at Appendix 3. Individual comments are not provided because of the risk of identification of the employees who submitted comments.

## 12 Action Points

12.1 Overall, the survey indicates positive feedback for the Council as an employer. The results are better than last year which is a reason to celebrate the results with employees.

12.2 The following action points will be taken as a result of the survey:

- Executive Leaders Board (ELB) and Corporate Heads of Service (CHOS) will continue to monitor their teams to ensure that regular appraisals, six-month review meetings, one to one meetings and team meetings are taking place.
- HR will analyse the demographic data to see if any issues arise concerning equalities and report back to ELB.
- The IT service will review the comments sent in by eight employees to see if any improvements in their service can be made as a result.
- Efforts to continue the improvement in the rating for Communications to employees will continue including a standing item on the regular Unison/HR meeting agenda.

## BACKGROUND DOCUMENTS:-

### Previous Committee Reports:-

AG079 Workforce Report 2021/22, 29 June 2022

AG085 Update on Employee Attitude Survey and Related Matters, 10 November 2022

AG102 Workforce Report 2022/23

### Other Background Documents:-

None

## APPENDICES:

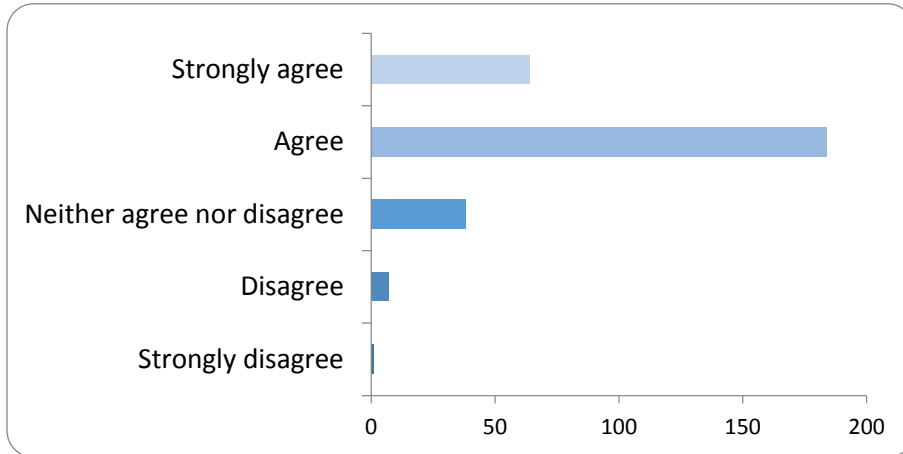
Appendix 1 – Employee Attitude Survey 2023 – summary of results.

Appendix 2 – Comparison of 2022/2023 results showing changes of more than 3%.

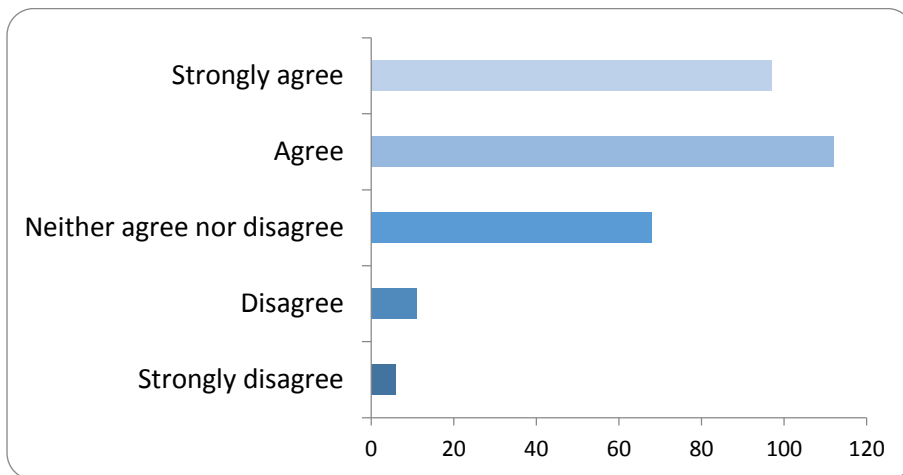
Appendix 3 - Summary of employee comments added to survey response.

**Employee Attitude Survey June 2023 – summary of results**

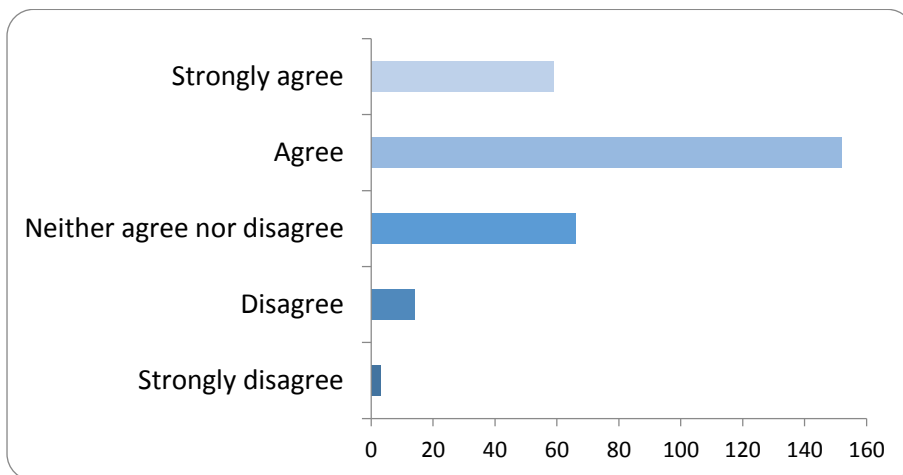
1. I enjoy my work at the Council:



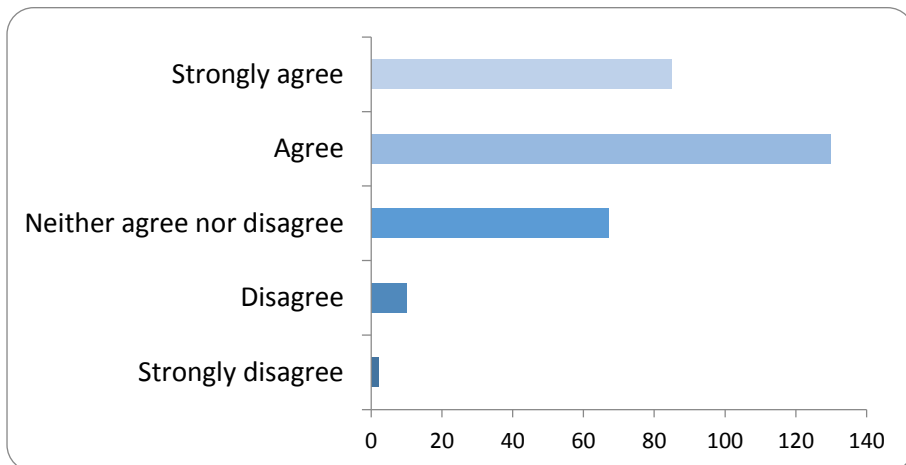
2. I will still be working at the Council in 12 months time:



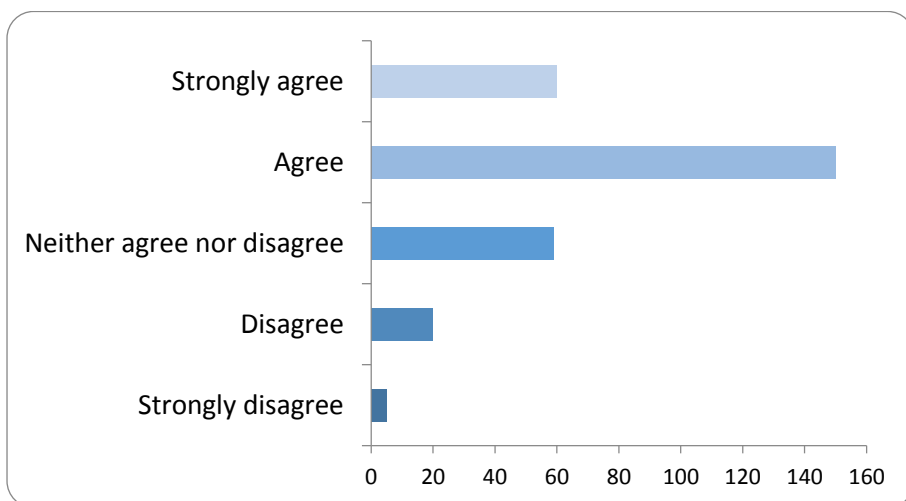
3. I would recommend the Council as a great place to work to my family and friends:



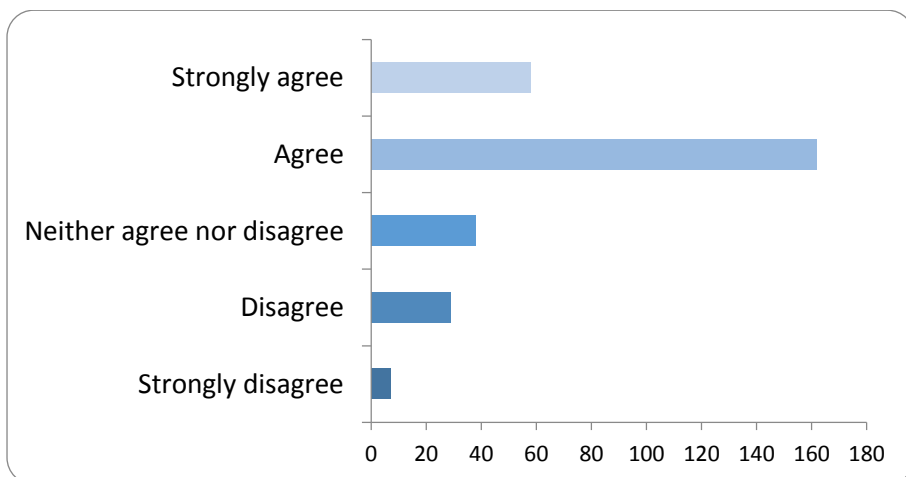
4. I am proud to work for the council:



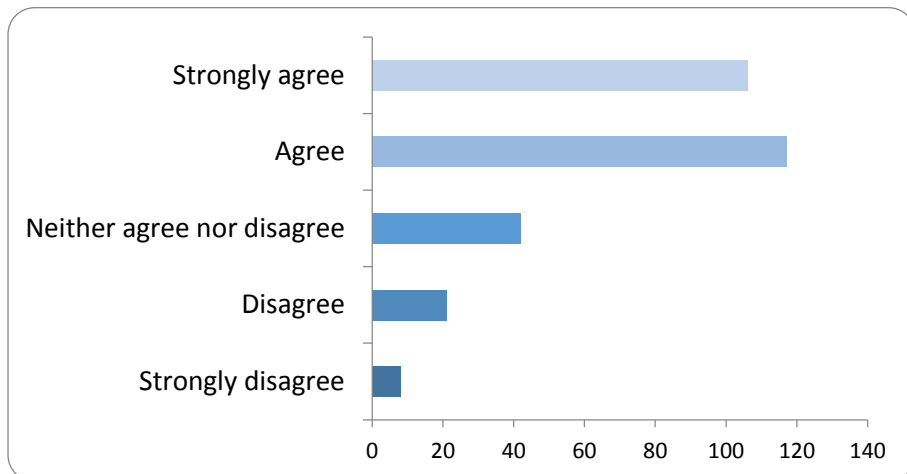
5. I am able to get the training and development I need to be successful at work:



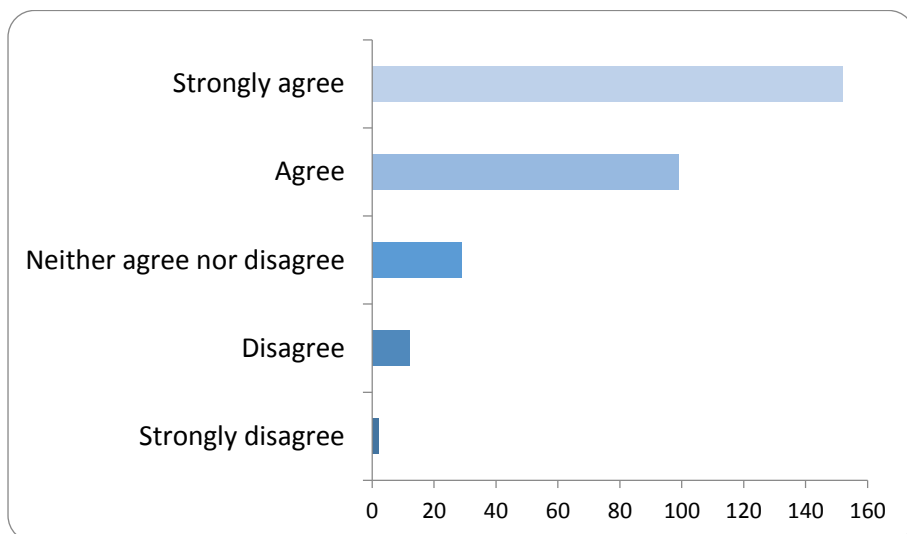
6. I have the equipment I need to be successful at work:



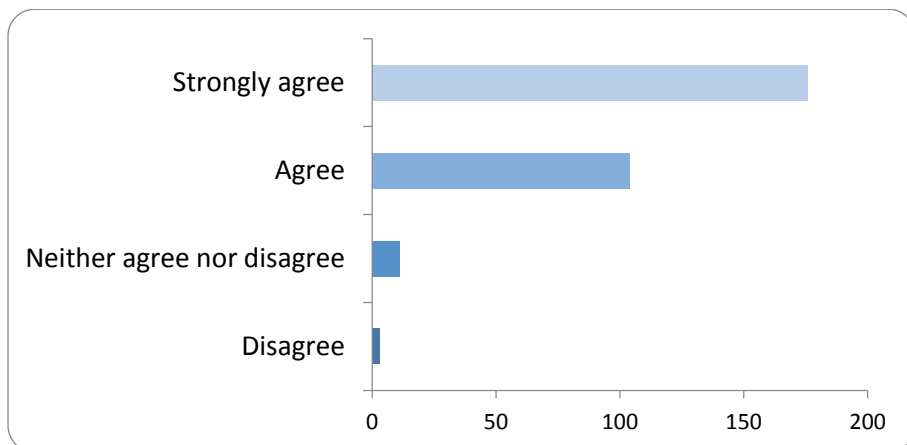
7. My line manager gives me regular feedback on my performance at work:



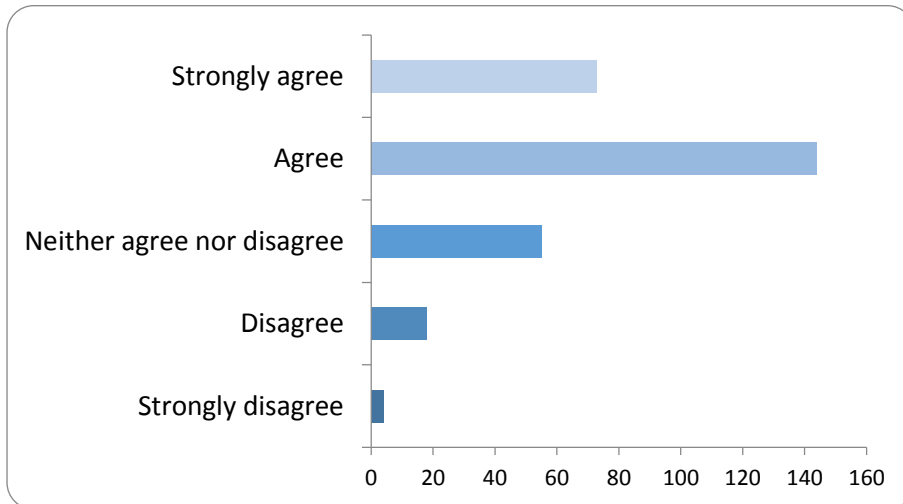
8. My line manager cares about me as a person:



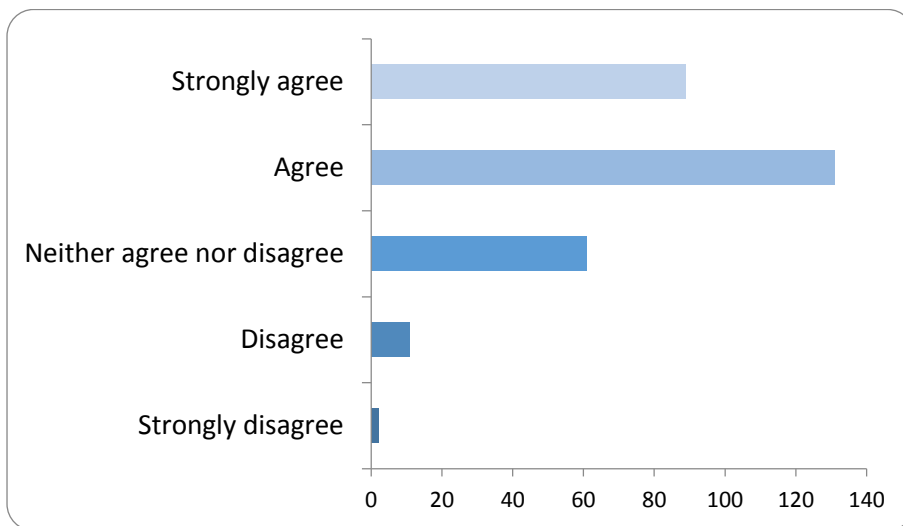
9. The colleagues in my team are supportive and friendly:



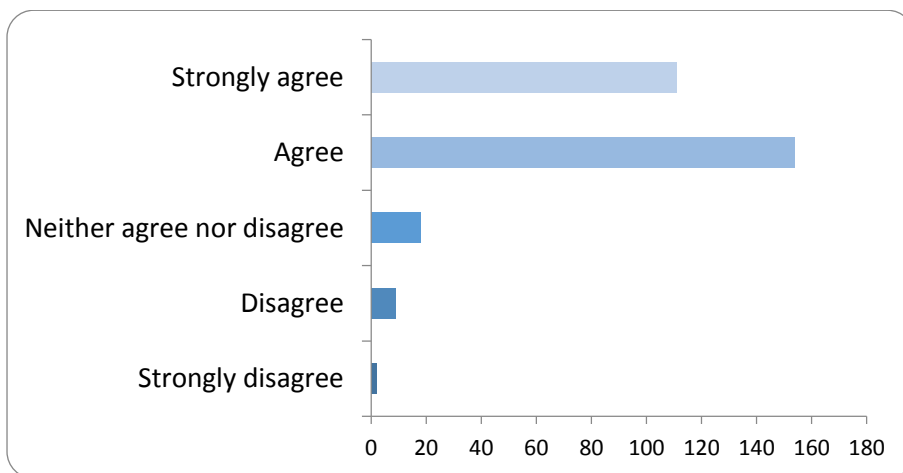
10. The Council takes the health and well-being of its employees seriously:



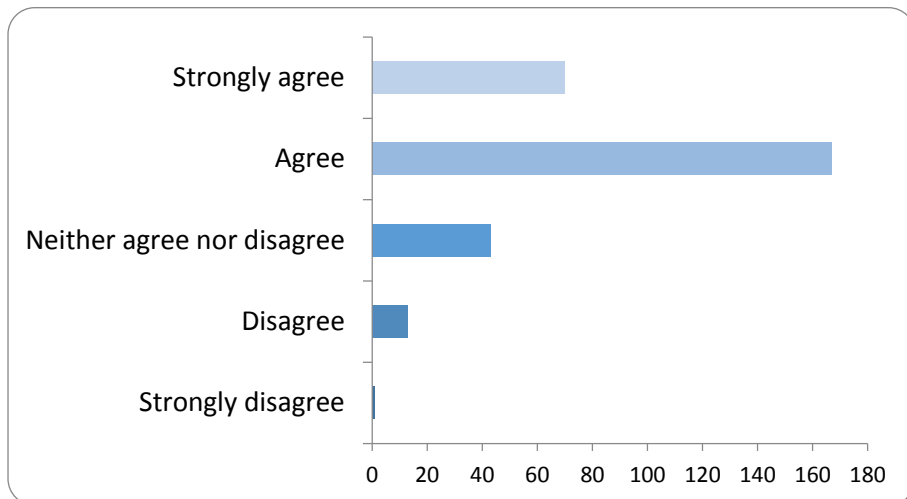
11. The Council is committed to ensuring equality at work for all its employees:



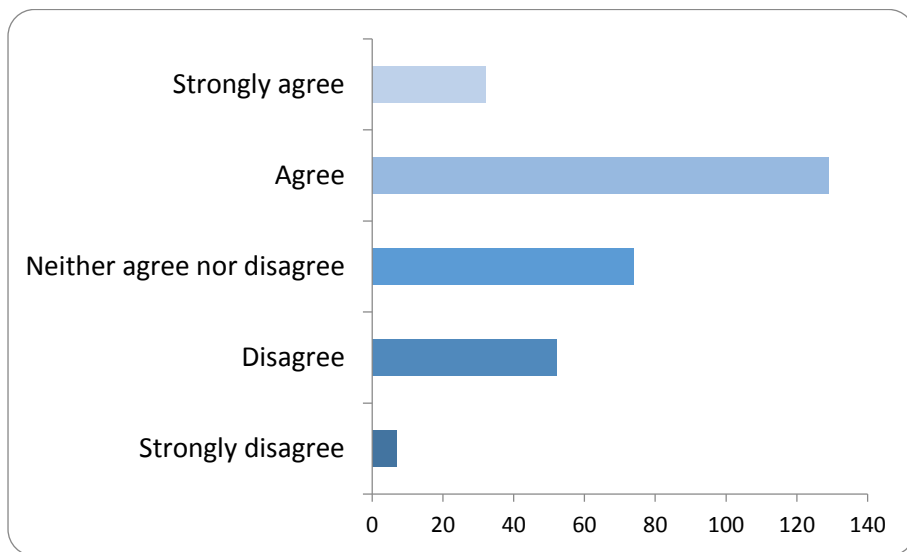
12. I understand the key objectives of my service:



13. I understand the top priorities for Winchester City Council:



14. I would say that changes at work are communicated to employees quickly and clearly:



## Comparison of 2022/2023 results showing changes of more than 3%

## Strongly agree/agree

Survey question	2022 (287 responses)	2023 (294 responses)	Direction of travel only where more than 3% difference (based on combined total)
	Combined strongly agree and agree total %	Combined strongly agree and agree total %	
1. I enjoy my work at the Council.	78.74	84.36	↑
2. I will still be working at the council in 12 months' time	68.99	71.09	
3. I would recommend the council as a great place to work to my family and friends.	60.98	71.77	↑
4. I am proud to work for the council.	71.08	73.13	
5. I am able to get the training and development I need to be successful at work.	71.42	71.43	
6. I have the equipment I need to be successful at my work.	72.82	74.83	
7. My line manager gives me regular feedback on my performance at work.	76.66	75.85	
8. My line manager cares about me as a person.	86.41	85.37	
9. The colleagues in my team are supportive and friendly.	93.73	95.23	
10. The council takes the health and wellbeing of its employees seriously.	67.60	73.81	↑
11. The council is committed to ensuring equality at work for all its employees.	69.34	74.83	↑
12. I understand the key objectives of my service.	91.64	90.14	
13. I understand the top priorities for Winchester City	72.13	80.61	↑

Survey question	2022 (287 responses)	2023 (294 responses)	Direction of travel only where more than 3% difference (based on combined total)
	Combined strongly agree and agree total %	Combined strongly agree and agree total %	
Council.			
14. I would say that changes at work are communicated to employees quickly and clearly.	44.95	54.76	↑

### Strongly disagree/disagree

Survey question	2022 (287 responses)	2023 (294 responses)	Direction of travel only where more than 3% difference (based on combined total)
	Combined strongly disagree/disagree Total %	Combined strongly disagree/disagree total %	
1. I enjoy my work at the Council.	4.18	2.72	
2. I will still be working at the council in 12 months' time	6.62	5.78	
3. I would recommend the council as a great place to work to my family and friends.	9.76	5.78	↓
4. I am proud to work for the council.	4.88	4.08	
5. I am able to get the training and development I need to be successful at work.	12.20	8.50	↓
6. I have the equipment I need to be successful at my work.	11.50	12.24	
7. My line manager gives me regular feedback on my performance at work.	10.45	9.86	
8. My line manager cares about me as a person.	11.15	4.76	↓
9. The colleagues in my team are supportive and friendly.	0.70	1.02	
10. The council takes the health and wellbeing of its employees seriously.	3.49	7.48	↑
11. The council is committed to ensuring equality at work for all its employees.	7.67	4.42	↓



Survey question	2022 (287 responses)	2023 (294 responses)	Direction of travel only where more than 3% difference (based on combined total)
	Combined strongly disagree/disagree Total %	Combined strongly disagree/disagree total %	
12. I understand the key objectives of my service.	2.79	3.74	
13. I understand the top priorities for Winchester City Council.	5.58	4.76	
14. I would say that changes at work are communicated to employees quickly and clearly.	24.05	20.07	↓

## Summary of employee comments added to survey response

83 employees took the time to add a written comment.

All the written comments have been examined in detail by HR.

*The text of the comments sometimes allow the respondent to be identified and for this reason they are not published in full in this report.*

- **Hybrid Working:** favourable comments = 3; unfavourable comments = 2.
- **Line Manager:** favourable comments = 2; unfavourable comments = 13.
- **IT Systems/support:** unfavourable comments = 8.
- **Facilities/working conditions:** unfavourable comments = 8.
- **Working for WCC:** favourable comments = 14; unfavourable comments = 4.
- **Communications:** unfavourable comments = 10.
- **Career Opportunities/Training:** unfavourable comments = 4.
- **Strategic Management/Council policy:** unfavourable comments = 12.

### Commentary

**Hybrid working** - some employees like hybrid working, others would like to work at home for more than 50% of their contractual hours.

**Line managers** - unfavourable comments about line managers are typically a failure by the manager to do tasks that are meant to take place regularly (appraisal, one to one, feedback).

**IT/Systems** - comments about the speed and effectiveness of the systems the Council has purchased rather than the quality of the service provided by the IT team.

**Working conditions** - comments on working conditions ranged from the desire for individual lockers to the desire for air conditioning.

**Working for WCC** - most comments on working for WCC were about 'what a great place to work'.

**Communications** - comments were often about messages passed 'down the line' not getting to the front-line employees in a timely manner. City Voice was not criticised.

**Career opportunities** - some employees felt that career opportunities in the Council are limited (which is true in some areas as WCC is a small local authority).

**Strategic management and council policy** - comments were mixed. Some comments were about too much emphasis on a policy and others were about not enough emphasis on a policy.