

FINANCE AND MANAGEMENT COMMITTEE

3rd December 2009

**PRESENT:-**

**Conservative Group**

Councillor Harrison (Chairman), Councillor Wheeler (Vice-Chairman) and Councillors Bladen, Lemmon (substitute for Councillor Mrs. Coyle), Roberts, Stanton (substitute for Councillor Grant) and Mrs. Wheeler.

**Labour Group**

Councillors Richards, Southard Taylor and Wilkins.

**Independent/Non-Grouped Members**

Councillors Mrs. Brown and Pabla

**In attendance**

Councillors Atkin and Ford (Conservative Group) and Councillors Dunn and Rhind (Labour Group).

**APOLOGIES**

Apologies for absence from the Meeting were received from Councillors Mrs. Coyle and Grant (Conservative Group).

FM/54. **MINUTES**

The Open Minutes of the Special Meeting held on 12th October 2009 and the Open Minutes of the Meeting held on 22nd October 2009 were taken as read, approved as true records and signed by the Chairman.

FM/55. **DECLARATIONS OF INTEREST**

Councillors Mrs. Brown, Pabla, Taylor and Mrs. Wheeler declared prejudicial interests in respect of the Exempt Report on the Review of Funding for Parish Councils, as Members of Parish Councils.

**MATTERS DELEGATED TO COMMITTEE**FM/56. **AUDIT SUB-COMMITTEE****RESOLVED:-**

***That the Open Minutes of the Audit Sub-Committee Meeting held on 30th September 2009 be received and any recommendations contained therein are approved and adopted.***

FM/57. **BUDGET AND FINANCIAL MONITORING 2009/10**

The latest budget and financial monitoring report was presented for the Committee's consideration. Initially, this focused on the General Fund Revenue Account and a table summarised the identified variances as at September 2009. This highlighted a projected adverse variance of £32,000, which would put additional pressure on general reserves. Details of the major variances were provided for the following service areas:-

- Environmental Services
- Transport Costs
- Private Sector Housing and Public Buildings
- Organisational Development
- IT and Business Improvement
- Legal and Democratic Services
- Leisure and Community Services
- New Etwell Leisure Centre
- Planning Services
- Customer Services
- National Pay Award for Employees
- Insurance Renewal

The costs of insurance renewal were shown in a table, which analysed the various insurance premiums. A summary and effect of variances on the five-year Medium Term Financial Plan (MTFP) was then provided and a further table showed the indicative effect of variances. The latest MTFP to 2014/15 highlighted a negative reserve balance by this date of £970,000. The critical year was 2011/12, as this was the year that general reserves would fall below the safe minimum level.

Next, the report focused on the Housing Revenue Account (HRA). A table was submitted, showing net expenditure by service area for 2009/10, the approved budget and projected variances for the year. This showed a net deficit of £39,000 lower than that budgeted. Commentary was also provided on housing repairs and other variances.

Capital expenditure and financing was reported and a further table showed an analysis of spending by main service or project area. The report included a

summary of progress to date, the position on capital receipts and the local authority business improvement grant. Finally, the report considered treasury management with an analysis of the Council's borrowing and short-term investments/bank deposits. This section of the report also looked at overall debt liability.

With regard to the General Fund position and particularly projections on reserves, it was requested that a table be provided showing projections over time, for future reports. A further element was the assumptions used when making projections and these points were acknowledged. There was discussion about the grant settlement for the next and subsequent years, it being confirmed that the settlement for the next year was as anticipated and budgeted for. A Member referred to Council house sales identified within the report and the likely valuation of the Council's housing stock. In responding, Officers referred to the Right to Buy discounts, dependant upon the length of tenancy at the time of sale. A valuation of the Council's housing stock was included in the accounts and an offer was made to provide this information to Members.

**RESOLVED:-**

- (1) That the latest budget and financial monitoring figures for 2009/10 are approved.***
- (2) That the actions set out within the report, concerning Transport Costs and Etwall Leisure Centre are approved.***

FM/58. **COMPLAINTS AND FREEDOM OF INFORMATION REQUESTS 1ST APRIL TO 30TH SEPTEMBER 2009**

An informative report was submitted on the comments, compliments and complaints received during this period. These comprised: no comments, 18 compliments and 31 complaints. Tables were included in the detail of the report, showing the division to which each related. Statistics were then provided on the Freedom of Information requests received.

A question was submitted on a specific case and details were provided of how Ward Members were consulted. It was requested that future reports include details of the compliments received. There was also discussion about complaints against Members, which were considered through the Standards process and those submitted by Members, which it was felt should be included within this report.

**RESOLVED:-**

***That the Committee notes the report.***

**FM/59. PERFORMANCE MANAGEMENT REPORT (1ST JULY – 30TH SEPTEMBER 2009)**

A report was submitted detailing achievements for the quarter ending 30th September 2009, in relation to the Council's Corporate Plan 2009-14. The Corporate Plan Action Plan consisted of four main themes, of which this Committee was responsible for actions within the "Value for Money" theme. Details were provided in the report and related appendices on the Corporate Plan actions, performance indicators and financial performance. Thanks were recorded to the Officer for the work undertaken in compiling this report.

**RESOLVED:-**

- (1) That the Committee notes the Council's key achievements and performance for the second quarter ending 30<sup>th</sup> September 2009.***
- (2) That where performance has failed to achieve the specified target, the Committee accepts the adequacy of the responses submitted.***
- (3) That the submitted financial performance information be noted.***

**FM/60. SUNDRY DEBTOR CREDIT CONTROL POLICY**

It was reported that the Council charged and collected income from a diverse range of activities. The Sundry Debtor Credit Control Policy had been revised to help meet the Council's commitment to providing value for money. The Policy provided a framework for service delivery, recognising why debt occurred and detailing the processes for robust billing and collection. The framework also facilitated the move towards a performance management operating model and a methodology for generating information that could be used to drive continuous improvements and ensure excellence in customer services. The report explained the functions and objectives of the credit policy and the inevitability of pursuing recovery action. Key changes to the policy were then reported.

Questions were submitted on whether correspondence was sent by recorded post and if there was a minimum threshold for the pursuit of debts, to which Officers responded.

**RESOLVED:-**

***That the Committee approves the revised Sundry Debtor Credit Control Policy, as submitted.***

**FM/61. PARISHING OF UNPARISHED AREAS**

It was reported that the Derbyshire Association of Local Councils had approached this Authority about available funding for the national programme to promote local councils. Members were reminded of the unparished areas in the District, located

in the urban core. Legislation provided that a principal council could conduct a community governance review at any time and was under a duty to do so if it received a valid community governance petition. Further information was provided about community governance reviews and the things that the Council would need to take account of in coming to its recommendations. The Committee was reminded of the current Electoral Review of South Derbyshire, being undertaken by the Boundary Committee for England. The Boundary Committee had given strong advice against undertaking a community governance review at the same time as the Electoral Review.

**RESOLVED:-**

***That the Council proceeds to consider this matter in twelve months time, when the boundary review has been completed.***

FM/62. **SALIX INTEREST FREE LOAN FOR ENERGY EFFICIENCY**

It was reported that the Department for Energy and Climate Change was providing interest free loan funding for a wide range of energy efficient technologies. This funding was being administered by Salix Finance, an independent company funded by the Carbon Trust. The Council proposed to access finances to install high efficiency lighting around the Civic Offices, voltage optimisation technology and specialist insulation at the Civic Offices and possibly the Green Bank Leisure Centre, to install LED bulbs for all seasonal lighting and replace boilers, to reduce gas and electricity consumption. The financial and resource implications were reported, including information on prudential borrowing, an overall financial analysis and risk analysis. Final quotations were being sought for the proposed works and details were provided of the anticipated cost, the annual repayment rate and anticipated overall savings. Several Members praised this initiative and a further project suggested was lighting the new Etwall Leisure Centre badminton court.

**RESOLVED:-**

***That the Committee accepts the proposals submitted and approves the application for an interest free loan, to enable efficiency measures to be implemented.***

FM/63. **WORK PROGRAMME**

**RESOLVED:-**

***That the Committee receives the updated Work Programme.***

FM/64. **LOCAL GOVERNMENT ACT 1972 (AS AMENDED BY THE LOCAL GOVERNMENT [ACCESS TO INFORMATION] ACT 1985**

**RESOLVED:-**

*That, in accordance with Section 100(A)(4) of the Local Government Act 1972 (as amended), the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraphs of Part 1 of the Schedule 12A of the Act indicated in brackets after each item.*

**MINUTES**

*The Exempt Minutes of the Special Meeting held on 12th October 2009 and of the Meeting held on 22nd October 2009 were received.*

**LAND AT MIDWAY (Paragraph 3)**

*The Committee approved the disposal of an area of land that was surplus to the Council's requirements.*

**LAND AT MIDWAY – TENDERS RECEIVED (Paragraph 3)**

*The Committee authorised the disposal of an area of Council-owned land.*

**REVIEW OF DISCRETIONARY RATE RELIEF DELEGATED SCHEME (Paragraph 1)**

*The Committee approved a variation to the Delegated Discretionary Rate Relief Scheme.*

**WRITE-OFFS (Paragraph 1)**

*The Committee authorised the write-off of sums due to the Council in accordance with the Financial Procedure Rules.*

**A REVIEW OF FUNDING FOR PARISH COUNCILS (Paragraph 3)**

*The Committee approved a revised scheme of funding for parish councils.*

**RESTRUCTURING OF THE COMMUNITY SERVICES DIRECTORATE (Paragraph 1)**

*The Committee approved proposals for the re-structuring of the Environmental Services, Leisure and Community Development and Planning Divisions of the Community Services Directorate.*

J. HARRISON

CHAIRMAN