

FINANCE AND MANAGEMENT COMMITTEE

27th July 2006

**PRESENT:-**

**Labour Group**

Councillor Wilkins (Chair), Councillor Pabla (Vice-Chair) and Councillors Carroll, Isham (Substitute for Councillor Southerd), Southern, Taylor and Whyman, M.B.E.

**Conservative Group**

Councillors Harrison, Lemmon, Nalty, Mrs. Renwick and Mrs. Wheeler.

**In Attendance**

Councillors Bell, Mrs. Lane, Lane and Shepherd (Labour Group).

**APOLOGY**

An apology for absence from the Meeting was received from Councillor Southerd (Labour Group).

FM/28. **MINUTES**

The Open Minutes of the Special Meeting held on 25th May 2006, of the Meeting held on 22nd June 2006 and of the Special Meeting held on 29th June 2006 were taken as read, approved as true records and signed by the Chair.

FM/29. **MEMBERS' QUESTIONS AND REPORTS**

The Chair welcomed Councillor Mrs. Lane, following her recent election as a Member for the Swadlincote Ward. He also introduced Nathan Fagan, a third year politics student at Nottingham University, who had been working with the Chief Executive this week.

**MATTERS DELEGATED TO COMMITTEE**

FM/30. **REPORTS OF OVERVIEW AND SCRUTINY COMMITTEES – CORPORATE SCRUTINY COMMITTEE WORK PROGRAMME**

A copy of the Corporate Scrutiny Committee's Work Programme had been circulated for Members information. Councillor Bell, Chair of this Scrutiny Committee gave an outline of the items that would be considered as ongoing or special projects. This included items raised by the District Auditor and there would be a focus on services. Both Scrutiny Committees intended to report regularly to their respective Policy Committees. The Leader of the Council welcomed the report and details of the Scrutiny Committee's Work Programme. He noted that other Members could contribute to the Scrutiny Committees' deliberations and expressed a personal interest in some aspects of this work programme.

**RESOLVED:-**

***That the Committee notes the work programme of the Corporate Scrutiny Committee for the current municipal year.***

**FM/31. DEVELOPING THE SOCIAL INCLUSION STRATEGY**

A report was submitted to give feedback from the first stage consultations and research work on the Social Inclusion Strategy and to set out a framework for its development. Members were reminded of the Government definition of social exclusion and the Corporate Plan target to develop a Social Inclusion Strategy. It was intended that the Strategy would drive the work of promoting social inclusion and would need significant links to other key plans and strategies, to address specific aspects of improving the quality of life. The work on developing the Strategy was led by Councillor Isham, the Member Champion for Equalities and Social Inclusion, together with the Deputy Chief Executive.

The report highlighted national activity on tackling social exclusion. It was a key priority for the Government which had established a Social Exclusion Unit. The Unit had published a report focusing on five specific project areas and details were set out within the report. It had put in place detailed frameworks for each project area, to set challenging reforms to public services to tackle social exclusion.

The Council had undertaken initial consultation from February 2006 through three focus groups of Council Officers, Elected Members and the Values and Attitudes Group, together with other stakeholders. Two themes were selected to base discussions on, at each of the three groups, on people with particular needs and communities. After the discussions, each delegate was invited to vote for their top three priorities in each of the themes and the collated findings were reported. The findings had been discussed with the Member Champion, to identify priority areas arising and where they aligned with the national framework.

The next stage would be to take the identified priorities and to set them out in the context of the Community Strategy and Corporate Plan targets. This would enable focusing the Social Inclusion Strategy on the key high level priority areas, linking to the national and regional context. It was envisaged that a second round of consultation would take place on actions and targets to be included in the Strategy. This was necessary to achieve widespread ownership of the Strategy and to capture the will of partners and stakeholders, to support its delivery. A similar focus group methodology was proposed for the consultation, planned around mid September. It was expected that the Strategy would be drafted over the autumn months and submitted to the Committee towards the end of the calendar year.

Councillor Isham recognised that Social Inclusion was a new policy debate, but exclusion was a real issue. She wanted the Strategy to give a different way of working and input was sought from those at the ground level. She thanked Officers for the hard work undertaken and this was an example of excellent Member/Officer working. She looked forward to the second stage of the process. The Deputy Chief Executive offered to pass on Councillor Isham's thanks to the staff concerned.

**RESOLVED:-**

***That the Committee notes the work undertaken to date with initial consultation and research for the emerging Social Inclusion Strategy and approves the proposed way forward for its development.***

FM/32. **CORPORATE PLAN 2007/2010 CONSULTATION – “PUTTING YOUR IDEAS INTO ACTION”**

The Committee was asked to consider consultation arrangements for the next Corporate Plan, together with the degree of change for that Plan and how it would be shaped by the consultation arrangements. Members were reminded of the significant changes made in producing the Corporate Plan for the period 2006/09. It included a new vision, a more concise statement of the values that would guide actions and it grouped proposals under six “cross-cutting” themes. There were also clearly defined priorities informed by a much expanded consultation process.

Given this significant change and the extensive consultation, it was suggested that the basic ‘building blocks’ of the Corporate Plan remain unchanged. This approach, which had been adopted by the Local Strategic Partnership, provided a stable platform on which to build longer term plans. With regard to consultation arrangements, Members and Officers were mindful of the comments made by residents. Some people at Area Meetings raised concerns about the opportunity to put forward proposals for service or community improvements. This might be facilitated by starting the consultation process earlier in the year.

Following discussions with the Leader, a consultation leaflet had been designed to elicit ideas for service and other improvements from the community. The leaflet would be made available at Area Meetings and incorporated within the Council’s newsletter, whilst also being made available to community groups, the voluntary sector and parish councils. A copy of the leaflet had been circulated for information.

To expand the consultation arrangements, there would be a need to devise a way of incorporating the results of consultation into the corporate and budget planning process. A report could be submitted to a future Meeting of the Committee outlining options on how this could be achieved.

The Leader welcomed this document and through the Council’s newsletter it would give the wider distribution needed. The Council wished to devolve decision making to the local community and they had shaped the Council’s three priorities through the previous consultation exercise. It was sensible for the public to have an input at the start of the budget process and he confirmed that one parish council had requested earlier consultation. Different wards had differing needs and feedback was sought on what individual areas would like to see in the Council’s budget. This process would need to be fair and transparent and it was a genuine attempt to devolve decision making.

In response to a question from the Chair, there was further discussion about the format proposed for the article in the “The News” and the ‘flyers’ produced for Area Meetings. Councillor Shepherd noted that forms could be

downloaded from the Council's website, but had to be returned by post. This could be improved further so that forms could be submitted electronically. Consideration was also given to the arrangements for those without access to the internet.

**RESOLVED:-**

***That the Committee approves the consultation arrangements for the Corporate Plan 2007/2010 based on the proposals contained within the report and in particular:***

- ***That the vision themes and priorities within the current Plan remain unchanged for the following three year period.***
- ***That the Council adopts the approach to consultation outlined in the report, to focus on obtaining the ideas of individuals and community groups for consideration within the Council's plans and programmes.***

FM/33. **REVIEW OF THE MEDIUM TERM FINANCIAL PLAN**

It was reported that the Council's Medium Term Financial forecast on its General Fund Account continued to show a fairly sound position to March 2010. Projected reserves at this date were just under £1.9m, which was above the minimum level required by the financial strategy of £1m. Clearly, in undertaking medium term financial projections, certain assumptions needed to be built into the calculations, that could be subject to change. The Council continued to face many financial risks and uncertainties, which were reported in detail.

The Council should continue to plan its finances prudently and be in a position to address any adverse variances without jeopardising the medium term financial position.

The longer term financial projection on the Housing Revenue Account (HRA) continued to improve, although it showed a projected reserve balance of approximately £300,000 by 2017. This was below the minimum requirement of £½m. Although this was not yet considered significant, given the overall level of spending in the HRA, at some stage the base budget might need to be reviewed again to ensure the minimum balance by 2017. A review of some of the management functions was currently underway. Similar to the General Fund, there were continued risks and uncertainties that would affect the HRA and the position would continue to be monitored.

The Council's capital investment programme had also been updated to 2012 and this showed a shortfall in financing projected expenditure of approximately £450,000. However, this did not include any general Government financing beyond 2006/07 or additional asset sales over and above those known. Clearly, additional monies stemming from these sources would help to reduce the pressure on financing planned investment.

The Leader spoke of the Council's commitment to these strategies to ensure that it could fund expenditure. It was focused on the shifting of resources and would concentrate heavily on this aspect from the autumn. He expressed satisfaction with the report and with regard to the HRA, he reminded of the decision to retain the Council's housing stock. He

commented on the position for both revenue and capital funding. Councillor Southern thanked staff in the Housing and Finance sections for their work to keep the HRA stable.

**RESOLVED:-**

- (1) That the revised financial projection on the General Fund to 2010 be approved.***
- (2) That the revised financial projection on the Housing Revenue Account to 2017 be approved.***
- (3) That the revised capital investment and financing programme to 2012 be approved.***
- (4) That the financial risks associated with the Council's financial plans and proposed actions be noted.***

FM/34. **CORPORATE TRAINING PLAN 2005/06 AND 2006/07**

A report was submitted to provide an overview of corporate training activities completed during 2005/06, together with planned learning and development activities for 2006/07. For the previous financial year, details were provided of the training activities supported by the Human Resources Team. It equated to 1.85 days per employee, which was a small increase on the statistics for the previous year. Information was provided on the cost of using external training providers together with training and learning events arranged by individual services.

Reference was made in the report to the Investors in People reassessment, the support provided by Human Resources and the outcomes from the successful re-accreditation. Training was provided for manual workers and the report gave an outline of the variety of programmes delivered. Reference was made to Member training and two elected Members had taken on the role of training needs analyst for their respective political groups. The Council continued to support local schools, by providing work experience placements for pupils from years 10 and 11. The report then looked at the Performance Development Review process and the resultant training delivered. Support was also provided for other external partners during the previous year.

The report outlined the proposed Training Plan for 2006/07. Following the adoption of a People Strategy, a number of training priorities had been identified. This aligned the development of people with the improvement of services and the training actions for 2006/07 reflected priorities within the People Strategy.

Information was submitted on the Management Development Programme, with particular reference made to project management, performance management, stress management, capacity building and leadership. Support was provided for post entry training and nine employees would be continuing studies during 2006/07. Training activities for Modern Apprentices were also reported, together with employment policy training, IT training and e-learning. Work would continue to promote national vocational qualifications and courses were also provided on health & safety and general skills.

Members discussed the modern apprenticeship initiative. The Chair asked about the comparative proportion of employees under this initiative. In response to a question from Councillor Harrison, details were provided about the financial support arrangements for employing Modern Apprentices.

**RESOLVED:-**

- (1) That the Committee receives the report and approves the planned learning and development actions for 2006/07.***
- (2) That corporate training resources be allocated in line with the recently approved People Strategy, to address needs identified at a corporate, service and individual level.***

FM/35. **IMPROVEMENT PANEL**

**RESOLVED:-**

***That the Minutes of the Improvement Panel Meetings held on 15th February and 14th June 2006 be received.***

FM/36. **AUDIT SUB-COMMITTEE**

The Minutes of the first Audit Sub-Committee Meeting had been circulated. The Chair of the Sub-Committee, Councillor Shepherd addressed Members, referring to the proposed work programme and the planned events for the next Meeting. This was a new committee which would become more competent through training and experience and he spoke about the planned training.

Councillor Mrs. Wheeler questioned whether actions highlighted by the Audit Commission, that would reduce the Council's fee payable to it, had been implemented and Officers responded with an update. Councillor Carroll sought clarification about the planned training and it was confirmed this was intended only for Members of the Audit Sub-Committee. Training would be provided on an ongoing basis and it was noted that any membership changes would result in an additional training need.

**RESOLVED:-**

***That the Minutes of the Audit Sub-Committee Meeting held on 28th June 2006 be received and noted.***

FM/37. **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 Meeting held on 22nd June 2006 were received.*

**LAND AT HARTSHORNE/MIDWAY (Paragraph 3)**

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

**LAND AT NEWHALL/MIDWAY (Paragraph 3)**

*The Committee deferred consideration of this item.*

**PENSION SHORTFALL (Paragraph 3)**

*The Committee authorised a payment to the Local Government Pension Scheme for an actuarial reduction.*

**SAFER SOUTH DERBYSHIRE PARTNERSHIP SUPPORT TEAM STRUCTURE (Paragraph 1)**

*The Committee approved proposals to review the staffing arrangements for the Safer South Derbyshire Partnership Support Team.*

P.J. WILKINS

CHAIR