

FINANCE AND MANAGEMENT COMMITTEE

16th June 2005

PRESENT:-

Labour Group

Councillor Wilkins (Chair), Councillor Pabla (Vice-Chair) and Councillors Bell, Carroll, Lauro (substitute for Councillor Southerd), Taylor and Whyman, M.B.E.

Conservative Group

Councillors Atkin (substitute for Councillor Mrs Renwick), Harrison, Lemmon, Nalty and Mrs Wheeler.

In Attendance

Councillor Stone (Labour Group).

APOLOGIES

Apologies for absence from the Meeting were received from Councillors Southerd and Southern (Labour Group) and Councillor Mrs Renwick (Conservative Group).

FM/1. **MINUTES**

The Open Minutes of the Meeting held on 28th April 2005 were taken as read, approved as a true record and signed by the Chair.

FM/2. **DECLARATIONS OF INTEREST**

Councillor Taylor declared a personal interest in respect of item 10 – Review of Parish Council Financing as he was a member of a parish council. He also declared a personal interest in respect of item 23 – Trades Union Facilities Agreement as a member of a trade union.

Councillors Carroll, Pabla and Mrs Wheeler also declared personal interests in respect of item 10, as Members of parish councils.

FM/3. **MEMBERS QUESTIONS AND REPORTS**

The Chair reported that there was a need to consider an urgent item and he was satisfied with the grounds for urgency. The item related to Supporting People charges for sheltered housing and the matter was urgent as failure to consider an increase in funding would result in a loss of revenue to the Housing Revenue Account.

MATTERS DELEGATED TO COMMITTEEFM/4. **IMPROVEMENT PANEL****RESOLVED:-**

That the Minutes of the Improvement Panel Meetings held on 12th April and 12th May 2005 be received.

FM/5. **RECRUITMENT AND SELECTION WORKING PANEL****RESOLVED:-**

That the Open Minutes of the Recruitment and Selection Working Panel Meetings held on 9th, 16th and 17th May 2005 be received.

FM/6. **SERVICE PLAN MONITORING REPORTS 2004/05**

The Committee received the year end Service Plan monitoring reports for the Economic Development, Human Resources, Legal and Democratic Services, Revenue Services, IT Services and Policy and Best Value Divisions. Members were reminded that Service Plans were an important part of the Council's Performance Management Framework. The Service Plans submitted were intended to provide a detailed basis for service delivery during 2004/05 and the framework for the following two years. Members were reminded of the form and content of each Service Plan.

Councillor Harrison felt that the Human Resources Service Plan should have recognised the consultation and negotiation undertaken with trade unions. He was also disappointed that progress had not been made on the project for adopting use of the "two ticks" disability symbol. The Chair suggested that recognition of work with Trade Unions be included within the next Service Plan and he advised Councillor Harrison of the proposals to achieve adoption of the disability symbol.

Several Members submitted questions and sought further information about the performance indicators for 2004/05. Comparative information was sought about the number of lost days through sickness absence and the percentage of employees who were disabled persons. Reference was made to the local performance indicators on the percentage of employees that had received a training plan and the labour turnover statistic. The Officer provided an update and further explanation on each of these indicators. Questions were submitted on the BVPIs relating to the percentage of top earners from black and ethnic minority communities and the percentage of employees that retired early, other than in cases of ill-health. The Officer provided further clarification and explained the efforts made to attract applications from minority groups. Councillor Bell also referred to the sickness absence statistics and to the scheme for special leave. He questioned whether data could be provided separately on the use of the special leave scheme and it was agreed that details be passed to Members about this.

With regard to the Service Plan for the Legal and Democratic Services Division, the Deputy Leader voiced her congratulations over the

successful completion of the Parliamentary elections. She praised the staff involved and particularly the Elections Officer for the work undertaken, during a time of personal difficulty. There was also a discussion about the likelihood of regional assemblies proceeding and this was felt to be remote.

Consideration was given to the Service Plan for the Revenue Division. Several Members voiced their praise for the continued excellent performance within this Division. Councillor Bell sought an up-date on the new Revenues and Benefits IT system. The Head of the Division explained that a report would be submitted to the next Finance and Management Committee and the project was on target for implementation during 2006.

With regard to the Service Plan Policy and Best Value Division, the Deputy Chief Executive gave an update on the recent recruitment of an additional Officer. Councillor Mrs Wheeler referred to the impact of the Comprehensive Performance Assessment (CPA) and subsequent appeal on the other work areas of this Division. The Leader of the Council responded, praising the work of the Policy Team. He spoke about the need for reviews such as the CPA and the potential benefits that could result. Councillor Harrison sought clarification on the BVPI relating to the equality standard for Local Government. The Deputy Chief Executive advised that the current rating represented upper quartile performance and he spoke of the further work planned. Councillor Harrison also questioned the seemingly low statistic about promoting race equality. This was again a check-list of good practice and the Council was looking to achieve a step change over time. The Member also noted that the average annual response rate from the Citizens Panel had reduced. The Officer explained the joint work in this area, that there had been a reduction in response rates generally and the group was looking to see how the Panel could be re-energised. Despite the bi-annual refresher of this Panel, there might be the need to consider another consultation mechanism in the future. However, a comparison was provided to feedback from a recent Mori Poll and the sample from the Citizens Panel was still considered to be very representative.

RESOLVED:-

That the Year End Service Plan Monitoring Reports be received for the following Divisions:-

Economic Development (in relation to Asset Management only)

Human Resources

Legal and Democratic Services

Revenue Services

IT Services

Policy and Best Value

FM/7. **A REVIEW OF PARISH COUNCIL FINANCING – A WAY FORWARD**

It was reported that the budget for concurrent functions was around £180,000 each year. The way this funding was allocated between parishes was historic and allocations were traditionally increased each year in line with inflation. The allocation of funding had been a growing

issue for parish councils, who were concerned that it did not fund all of their expenditure and the current allocation was out-dated.

Contributions were also provided to parish expenditure through the “lengthsman scheme”, through an agency agreement with the County Council for minor highways and footpaths maintenance and to provide a contribution to the replacement and repair of play equipment. Overall, funding of around £230,000 was provided each year. Parishes had access to further funding via a precept on the local council tax and through Section 106 Agreements, where applicable.

Some initial work had been commenced on alternative methods of distributing resources to parishes. Research had been undertaken around what other Councils did, how reviews had been handled and whether there was any best practice guidance. Under the modernising agenda the Government wished to see parishes having a greater contribution to local decision making. The Quality Parish and Town Council scheme offered some best practice guidance on financial support to parishes. This paper was essentially aimed at helping parishes achieve quality status. It looked specifically at how to avoid “double taxation” and how to create a framework for good financial arrangements with parishes. A key point from the guidance was that any review needed to go beyond concurrent expenses. There were other options and some foundations might need establishing. The key principles were set out within the report and suggested that the review should include a number of issues. It was highlighted that finance should follow the function.

The report then considered the possible impact of the guidance on the Council and the options available. Following the guidance would demonstrate that the Council was using its resources effectively. This might not be the case if the Council just reviewed its allocation of funding under Section 136, to provide a more updated or equitable basis.

Councillor Taylor referred to a recent report to the Environmental and Development Services Committee on street cleaning, to show how the role of parish councils could impact on service delivery. There was a need to develop relationships with parish councils and to determine the services delivered in return for funding, so that equity could be achieved. The Leader noted that the current arrangements dated from 1983. He spoke about the different sizes and functions fulfilled by parish councils. This issue had been raised through the re-launched Parish Liaison Meetings and he recognised it was a complex issue. All parish councils would like additional finance and he discussed the options available to raise additional funds. Alternatively, the existing funding could be distributed in a different way. The review was about achieving a fair and equitable system and he spoke of the potential mechanisms. There was also a need to reflect the services delivered and he referred to service level agreements. Members of this Council needed to sign up to such a review and to be kept informed of progress. A package of options could then be prepared and consultation take place with parish councils and others.

Councillor Atkin felt that the review was long overdue and he welcomed the report generally. He sought further information on the work undertaken to date and questioned whether a decision was needed at this stage on the depth of review to be undertaken. Officers considered that a

detailed review should be undertaken in accordance with the ODPM guidance. Councillor Harrison stated that the scheme had not kept pace with the funding required for parish council functions. They had needed to increase precepts and ultimately costs fell to the taxpayer, so a full review should be undertaken. Councillor Lauro recognised the differing sizes of and functions performed by parish councils and he sought clarification on the elements of current funding to be included within the review. Councillor Mrs Wheeler asked how the review would be undertaken. At this stage Officers proposed to undertake research and to submit a further report and presentation on the proposed way forward. Councillor Nalty also spoke about the diversity and demands faced by different parish councils and there was a need for equity in undertaking the review.

The Deputy Chief Executive pursued the principle within the guidance that finance should follow the function. He referred to the Local Strategic Partnership and the opportunity within this process to link the use of parish councils for delivery of community initiatives into LSP funding streams. Councillor Lemmon questioned the arrangements for unparished areas and he asked whether this was a prudent opportunity to consider the parishing of the Urban Core. The Leader replied that this was not as simple as it seemed and there were issues such as defining the area and the costs of precepts for local rate-payers. The issue was worth examining, but not necessarily as part of this review. With regards to the way forward, he hoped personally that ideas and options could be submitted to Members, so that these could be refined and consultation could take place. Councillor Taylor reminded that parish councils had some choice over the functions which they became responsible for.

RESOLVED:-

That the Council undertakes a Best Practice Review of Parish Council financing in accordance with Government Guidance.

FM/8. **NO SMOKING POLICY**

A report was submitted to clarify the Council's position in relation to smoking at work or on Council premises. Members were reminded of the Council's social and legislative responsibility, which had resulted in smoking being prohibited in all Council premises. It had been in place for a number of years, but there was no formal document outlining the policy. In addition, the ban on smoking had not been extended to Council vehicles and this was seen as a positive and necessary step.

In terms of consultation, the no smoking policy had been considered and accepted by all trade unions through the Joint Negotiating Group. This Group had considered a number of key issues regarding the policy's coverage and implementation. A summary of the key issues was reported. It comprised the need for a policy, the provision for smoking breaks, smoking in Council vehicles and enforcing a ban on smoking when employees were on site. It questioned whether it was realistic to expect employees working in open spaces or outdoors not to smoke, the action to be taken against employees who continued to smoke at work and employees working in tenants' homes. The key issues examined how contractors would be prevented from smoking on Council premises or

when undertaking Council work and how much support should be given to those wishing to give up smoking. Finally, it was questioned whether the policy was of any real difference to current practice and whether the policy should take immediate effect.

RESOLVED:-

- (1) That the No Smoking Policy be approved as submitted and be adopted with immediate effect.***
- (2) That the Policy be applied to all Council employees and elected Members, as well as visitors, contractors and sub-contractors, whilst on Council premises or in Council vehicles.***
- (3) That smoking cessation courses be made available to employees, subject to demand.***

FM/9. **SUPPORTING PEOPLE CHARGES – SHELTERED HOUSING**

Further to Minute No FM/3 above and the discussion at the Housing and Community Services Committee held on 9th June 2005, the Committee was asked to consider an increase in the Supporting People charge for sheltered housing.

It was reported that Supporting People legislation came into effect on 1st April 2003 and for South Derbyshire, the funding related to the costs associated with providing the Community Warden and Careline Services. The original costing exercise showed that the support cost for the sheltered housing service was £8.60 per week for the year 2001/02. The Committee was advised of a subsequent increase effective from November 2004 to £8.82 per week.

The report explained the requirements of the Housing Act 1985 to give notice to tenants before implementing an increase in this charge. On 18th April 2005, the Council was advised that for 2005/06 an increase of 1.9% had been awarded and this equated to a cost of £8.99 per week. Actual costings for the service showed it to be £10.99 per week. Due to the legislative requirements regarding notice, the charge could not be levied until 25th July 2005.

RESOLVED:-

That the proposed increase to the Supporting People Charge for the Sheltered Housing Service be approved in accordance with the recommendation from the Housing and Community Services Committee.

FM/10. **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 28th April 2005 were received.

RECRUITMENT AND SELECTION WORKING PANEL (Paragraph 1)

The Committee received the Exempt Minutes of the Recruitment and Selection Working Panel Meetings held on 9th, 16th and 17th May 2005.

STRENGTHENING LEGAL SERVICES (A REVIEW OF THE SECTION) (Paragraphs 1 & 11)

The Committee approved an increase in the establishment of the Legal Services Section.

STRENGTHENING ASSET MANAGEMENT (A REVIEW OF PROPERTY SERVICES) (Paragraphs 1 & 11)

The Committee commissioned a stock condition survey and approved external support on a temporary basis.

REVIEW OF DUTIES – HOUSING STRATEGY MANAGER (Paragraph 1)

The Committee approved the re-grading of this post.

FASTER DELIVERY OF DISABLED FACILITIES GRANTS (Paragraph 1)

The Committee approved the financial and staffing aspects of measures to improve the delivery of Disabled Facilities Grants.

USE OF AGENCY WORKERS (Paragraph 1)

The Committee approved a way forward on the use of agency workers within the Council.

CORPORATE TRAINING PLAN 2004/05 AND 2005/06 (Paragraph 1)

The Committee received an overview of corporate training activities and approved the allocation of resources for the training plan 2005/06.

TRADES UNION FACILITIES AGREEMENT (Paragraph 11)

The Committee adopted a trades union facilities agreement and approved training for managers on the provisions of this agreement.

CUSTOMER FIRST (Paragraph 11)

The Committee received an update on progress with the Customer First Project and proposed measures to move the project forward.

P.J. WILKINS

CHAIR