

FINANCE AND MANAGEMENT COMMITTEE

28th November 2002

**PRESENT:-**

**Labour Group**

Councillor Wilkins (Chair), Councillor Pabla (Vice-Chair) and Councillors Carroll, Dunn (substitute for Councillor Richards), Evens, Knight, Southerd, Southern and Whyman.

**Conservative Group**

Councillors Harrison, Lemmon, Shaw and Mrs. Wheeler.

In Attendance

Councillor Bell (Labour Group).

**APOLOGIES**

Apologies for absence from the Meeting were received from Councillor Richards (Labour Group).

**FORMER COUNCILLOR W. HEAPE**

The Chair announced the death of Wilfe Heape and paid tribute to his many years service as a local Councillor. Following tributes from several other Members, the Committee observed one minute's silence in his memory.

FM/60. **MINUTES**

The Open Minutes of the Meeting held on 17th October 2002 were taken as read, approved as a true record and signed by the Chair.

FM/61. **DECLARATIONS OF INTEREST**

Councillor Whyman declared a prejudicial interest in Agenda item No. 11 – Future Development of Air Transport in the UK – Consultation Exercise. Councillor Lemmon declared a prejudicial interest in Agenda item No. 12 – Southern Derbyshire NHS Local Improvement Finance Trust (LIFT) Application.

**MATTERS DELEGATED TO COMMITTEE**

FM/62. **2002/03 SERVICE PLANS – MONITORING REPORTS**

The Committee received the Service Plan Monitoring Reports for the Economic Development (in relation to Asset Management only), Personnel and Development, Financial Services, Revenue Services, Internal Audit, IT and Customer Services and Policy and Best Value Divisions.

The Monitoring Report for the Legal and Democratic Services Division would be submitted to the Finance and Management Committee Meeting on 18th January 2003, to enable the Council's new Legal and Democratic Services Manager to become more familiar with this service area.

Service Plans provided an important part of the Council's performance management framework. The current Service Plans had been approved in November 2001 as the basis for service delivery throughout the current financial year. The Monitoring Reports charted progress that had been made in the first six months of this year. Details were provided of the sections contained within each Service Plan. A second round of Monitoring Reports would be submitted to the Committee in May after the end of the Service Planning period.

Each divisional manager highlighted key issues within their Service Plan. Members were invited to comment on individual Service Plans or to review the documents and submit comments as part of the budgetary review process.

**RESOLVED:-**

***That the Committee receives the Service Plan Monitoring Reports for the Economic Development, Personnel and Development, Financial Services, Revenue Services, Internal Audit, IT and Customer Services and Policy and Best Value Divisions.***

FM/63. **2003/2004 SERVICE PLANS**

The Committee gave consideration to the 2003/04 Service Plans for the Economic Development (in relation to Asset Management only), Personnel and Development, Financial Services, Revenue Services, Internal Audit, IT and Customer Services and Policy and Best Value Divisions.

The Service Plan for the Legal and Democratic Services Division would be submitted to the Finance and Management Committee Meeting on 18th January 2003, to enable the Council's new Legal and Democratic Services Manager to become more familiar with this service area.

Service Plans provided an important part of the Council's performance management framework and details were given of those other elements within this framework. The form and content of Service Plans had been developed as part of the Best Value Review of Financial Planning and Control. The aim was to show the scope and nature of the service provided by each Division, how resources were used and how performance was to be monitored and measured. Details were provided of the sections contained within each Service Plan. All Plans had been developed on the basis that there would be no change in the level of resources devoted to that service area. Proposals for service developments or reductions would be considered through a separate mechanism and incorporated into the Service Plan at a later date.

Members were invited to highlight issues stemming from the Service Plans that might need to be included in the budget process, or other proposals for savings or growth on revenue or capital schemes. A meeting of the Service and Financial Planning Working Panel would be held on 11th December to consider all of the proposals and to prioritise them in line with the Council's available resources for 2003/04. Members could also bring proposals and ideas to the attention of the relevant divisional manager as part of this process.

Each divisional manager was invited to highlight key issues within their Service Plan. The Economic Development Manager commented on a number of asset management issues and the Chair discussed the opportunities and challenges for this division.

The Personnel and Development Manager spoke of the roles and duties performed within the division. Members commented on the inconsistent approach to absence management and a definition was provided of 'under performance' in terms of managing capability. This was when an employee was unable to perform the duties of their post or where the duties of the post had been varied. There might be a need for training and a structured programme was being developed to assist such employees.

Comment was made on the proportion of special investigation work undertaken by the Internal Audit Section. Members requested clarification on the target percentage for 2002-3 for the annual Audit Plan to be completed during the year. The Service Plan for the IT and Customer Services Division stemmed from the Council's IEG Statement. Reference was also made to work undertaken on E-Government and the National Land and Property Gazetteer. Members discussed the need to recruit to the vacant Divisional Manager post and there was some concern that this might need to be re-designated to separate the IT and Customer Services roles, whereas these functions had been combined during the last review. It was agreed to re-circulate certain information omitted from the Service Plan documents.

With regard to the Policy and Best Value Division, Officers explained the shift from Best Value to performance improvement, linked to the Comprehensive Performance Assessment. If the Council received an excellent assessment there would be a reduction in the number of plans and strategies that had to be submitted to Government. Clarification was provided on certain omissions from the Service Plan and it was agreed to circulate this information to Members. An outline was given of the process to be undertaken to score service development proposals.

Members wished to acknowledge the large amount of work undertaken in achieving Service Plan targets and to congratulate the Officers concerned.

**RESOLVED:-**

***That the Service Plans for the Economic Development, Personnel and Development, Financial Services, Revenue Services, Internal Audit, IT and Customer Services and Policy and Best Value Divisions be approved as a basis for service delivery over the period April 2003 to March 2004.***

FM/64. **COMPLAINTS**

Members received a report which provided a summary of the official complaints received by the Council for the last financial year and first six months of the current financial year. This included information on two other key service areas, the DSO and Environmental Health Division, which dealt with the public on a regular basis.

A series of tables was submitted, summarising all official complaints received and those received via the Ombudsman, those relating to the Environmental Health Department and to the DSO. The Citizens Panel survey had indicated that customer satisfaction with the way complaints were handled was rising from 35% to 54% which compared well with top performing Councils. A system was now in place that enabled responses to complaints to be monitored and a method of customer feedback was being investigated to find out how they considered their complaint was handled.

In receiving the report, a Member enquired how many successful prosecutions had been secured by the Environmental Health Division and it was agreed to provide this information to the Member concerned. Members appreciated the clarity of the information submitted. Comments were made regarding crime and disorder issues, Anti-Social Behaviour Orders and funding requirements to enable effective enforcement activity. In response, Officers explained the benefits of the Crime and Disorder Partnership. Out of hours enforcement was another key area discussed. Members recognised the respective roles of partner organisations but felt that enforcement was a matter for the Derbyshire Constabulary. Nuisance complaints had increased and an explanation was given of how officers determined what constituted a statutory nuisance.

**RESOLVED:-**

***That the Committee receives a summary of the official complaints received by the Council for the last financial year and first six months of the current financial year.***

FM/65. **WATERCOURSE AT WOODLAND ROAD, STANTON BY NEWHALL**

Members' approval was sought to fund a feasibility study into the causes of flooding of three properties at Woodland Road, Stanton. In November 2000, Stanton Village Hall and two neighbouring bungalows had been flooded from the adjacent water course. It was thought that the culvert under the A444 was too small and had acted as a partial barrier to the water course during the extreme rainfall at the time. The culvert was the responsibility of Derbyshire County Council and that Authority had agreed to provide a new culvert subject to being satisfied that the works would not lead to problems further downstream.

Whilst the culvert was the County Council's responsibility, the overall control and adequacy of the water course was a matter for this Council as a land drainage authority. Therefore, consultants were appointed to investigate the effects that a new culvert would have both upstream and downstream. The costs of this work were initially charged to the small revenue budget available for land drainage. However, the nature of the work had led to costs well in excess of the available budget and it was therefore proposed that the total study costs be capitalised. Derbyshire County Council had agreed to fund half of the costs of the consultancy work undertaken in respect of checking the downstream effects of a new culvert. The current estimated cost was £6,500. Discussions were continuing with the consultant and the County Council to identify a solution to reduce the flood risk. The total costs of any necessary upstream or downstream works were yet to be established but a provisional application for grant aid had been submitted to DEFRA.

There was an allocation £15,000 in the current Capital Programme for a feasibility study into flooding problems to the north and west of Hatton. Since its inclusion in the Capital Programme, the Council had been successful in obtaining grant aid of 45% towards these costs from DEFRA. This has reduced the burden on the Programme by £6,750 and could offset study costs at Stanton. Further work might be necessary to complete the study and it was therefore suggested that the sum of £9,850 be included in the programme.

**RESOLVED:-**

***That Members approve the inclusion in the Capital Programme of £9,850 (including the capitalisation of an item of revenue expenditure of £7,850) for the costs of undertaking a feasibility study into the measures necessary to reduce the risk of flooding to three properties at Woodland Road, Stanton by Newhall.***

FM/66. **THE FUTURE DEVELOPMENT OF AIR TRANSPORT IN THE UK – CONSULTATION EXERCISE**

Note: At 7.00 p.m. Councillor Whyman left the Meeting during the consideration and determination of this item.

At the Finance and Management Committee held on 5th September 2002, it was agreed to establish a Working Panel to consider a response to this consultation document. The Panel had met on three occasions and, following its final meeting, a report and suggested response was submitted for the Committee's consideration.

Councillor Carroll voiced her thanks to the Local Plans Officer for his assistance, to the Working Panel and to its Chair, Councillor Harrington. The deliberations over a course of three meetings on this important document were much appreciated.

The Consultation Document had identified a number of national policy scenarios and it presented options for developing aviation capacity in the Midlands. These comprised maximising use of existing runways, developing second runways at Birmingham and East Midland Airports and creation of a new airport between Rugby and Coventry. All options envisaged significant growth in freight and passenger flights at East Midlands Airport with substantial economic, environmental and amenity implications for South Derbyshire residents. The development of a second runway would have the greatest impact, particularly if coupled with the policy of constraint in airport capacity growth in the south east regions. The report concluded that the major impacts on South Derbyshire in all cases comprised of economic growth, including employment creation, noise disturbance caused by aircraft, highway congestion and/or improvement in transport infrastructure and urbanisation pressures.

Whilst Members welcomed the much needed employment opportunities the airport expansion would bring to South Derbyshire and the surrounding communities, they considered that Government should take serious note of the comments regarding noise disturbance at night and its associated health problems, by enforcing restraints on flight times. Therefore designation should be sought for East Midlands Airport, to enable authorities to impose

conditions restricting the number of night flights. Members appreciated that growth in air transport was inevitable but were against the development of a second runway. They also considered there should be more integrated transport systems put in place in the form of substantial improvements to road and rail links to the Airport.

This subject was of great concern to residents of South Derbyshire and in order to keep the public informed, it was suggested that a press release be issued as soon as possible, based on the Committee's recommendations, to emphasise the careful consideration that the Council had given to this subject.

**RESOLVED:-**

**(1) That the Committee approves the recommendations of the Working Panel and the Department of Transport be advised as follows:-**

- (i) All indications are that growth in air transport is inevitable whichever options are taken and it is recognised that the presence of EMA yields substantial economic benefits both for the region and South Derbyshire. It is therefore considered that there is a need to accommodate controlled growth in air transport but to restrict night time noise generated by EMA flights to current levels, as this is already a cause of concern among significant numbers of local residents.**
- (ii) The development of an air transport strategy for the UK and its regions should take full account of the Government's national sustainability objectives and policies. Without adequate controls, particularly in relation to flights taking place between the hours of 11.00 pm and 7.00 am, any expansion of activity at EMA will have a major detrimental impact on the surrounding communities and this needs to be recognised and addressed. Whilst recognising the constraints on Government action, such as international treaties, every effort should be made to ensure that air transport pays its full environmental impact cost on the basis of the "polluter pays" principle. The Government should therefore give consideration to all available fiscal and capacity measures in order to secure the most sustainable level and pattern of national and regional airports' capacity. The strategy should be based on an assessment of Environmental Capacity, particularly in regard to noise, which will determine the scale of acceptable growth.**
- (iii) The SEC scenario is opposed. It is considered that the degree of constraint envisaged for the South East airports in this scenario is unrealistic, given the pressures for growth, and that excessive constraint in that region may disadvantage national economic prospects. Nevertheless, it is considered that demand for air travel throughout the UK should be constrained to an extent and that opportunities to provide for travel needs through improvements to other forms of public transport, particularly rail, should be fully explored.**

- (iv) Substantial growth in aviation activity and, in particular, the provision of a second runway at EMA are opposed on the following grounds:**
- (a) The case for substantial additional capacity at EMA is highly tenuous in that it assumes an unrealistic level of constraint on the expansion of airport capacity in the South East together with failure to provide for more pressing expansion needs elsewhere in the Midlands. Even then the development of a second runway is a long-term and highly uncertain prospect, bringing with it a period of protracted blight for local communities.**
  - (b) Such growth would have a severe and unacceptable impact on the environment, amenities and character of the settlements and communities adjoining the airport in terms of noise, air quality, potential road congestion and urbanisation pressures.**
  - (c) EMA is currently not well served by public transport and, given its location, is likely to continue to perform relatively poorly in terms of the objectives of national integrated transport policy.**
  - (d) The scale of employment growth envisaged, particularly under the second runway option, is such that it is likely to lead to severe overheating in the local and sub-regional labour and housing markets, leading to possible large scale inward migration.**
- (v) There is a need for substantial improvements in relation to surface access to EMA, in particular public transport, which should be addressed regardless of which option is selected as the basis for policy for the future development of the airport. In particular, the airport should be served by a direct rail link to major population centres.**
- (vi) The omission from the consultation documents of fully detailed forecasts for noise generated by night flights at EMA is seen as a significant failing. The 90 dBA SEL footprint information included does not provide a sufficient basis for the assessment of noise impact. The noise from night flights should be described using Laeq contours in order to allow proper consideration of the implications of the various options.**
- (vii) Night flights at EMA cause sleep disturbance and attendant health problems for a significant number of people. An appropriate level of control should therefore be applied to night flying activities, providing a consistent and national approach to the assessment and control of environmental detriment, particularly in relation to noise. The Secretary of State for Transport should therefore be asked to reconsider the request to make EMA a “designated aerodrome”.**

***(viii) The continued presence of “Chapter 2” aircraft is responsible for much of the noise generated at EMA and their use should be phased out immediately, noting that EU Directive 2002/30/EC, which came into force on 28th March 2002, sets a period of 18 months from that date for implementation by EU member states.***

***(2) That a press release be issued, based on the recommendations made and making the public aware of the amount of time and effort which the Council has given to this very important subject as soon as possible.***

FM/67. **SOUTHERN DERBYSHIRE NHS LOCAL IMPROVEMENT FINANCE TRUST (LIFT) APPLICATION**

Note: At 7.10 p.m. Councillor Whyman rejoined the Meeting. Councillor Lemmon left the Meeting during the consideration and determination of this item.

It was reported that at the October Meeting of Council, the Chief Executive of the Primary Care Trust had highlighted the opportunities associated with the local NHS LIFT project. This included the opportunity for the Council to be associated with the development of the former Ambulance Station site in Swadlincote as a phase one project. LIFT would run for 20 to 25 years and provide the opportunity of future arrangements for social care premises. Over this period the Council might wish to work with Liftco to develop services and access capital funding through LIFT. Appended to the report was general information on this initiative, together with the local LIFT application.

The immediate issues were whether the Council wished to sign up to the Strategic Partnership Agreement. It would then need to be named on the OJEC Notice, as Contracting Authority by 1st December 2002. The format of this Notice would be subject to approval by the Chief Executive. The Council had to also decide whether it would wish to take office space in the Phase 1 Scheme.

Members expressed their dissatisfaction at having to go through this application process but recognised the benefit of the Partnership to residents of South Derbyshire. There was a recognised shortfall in facilities for the area and therefore the Committee gave its full support to the proposals.

**RESOLVED:-**

- (1) That the Council be named as a Contracting Authority, subject to the Chief Executive being satisfied with the form of the OJEC Notice.***
- (2) That the Economic Development Manager be tasked with examining the feasibility and implications of taking space prior to Members making a final decision in February.***
- (3) That the Head of Community Services and the Legal and Democratic Services Manager consider the legal implications of***

***each option and that a further report be brought to Members on the level of the Council's involvement in LIFT.***

Note: At 7.20 p.m. Councillor J. Lemmon returned to the Meeting.

FM/68. **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 17th October 2002 were received.***

**BENEFIT FRAUD INVESTIGATION (Paragraph 5)**

***The Committee received a half yearly report from the Benefit Fraud Investigations Unit.***

**SINGLE STATUS – JOB EVALUATION MODERATION AND APPEALS PROCEDURE (Paragraph 11)**

***The Committee approved proposals for the Job Evaluation Moderation and Appeals Procedure.***

**DSO TRADING ACCOUNT SCHEDULE OF RATES (Paragraph 8)**

***The Committee approved adjustments to the Schedule of Rates for the DSO Trading Account.***

**GREEN BANK LEISURE CENTRE – SWIMMING POOL HALL (Paragraph 8)**

***The Committee authorised re-allocation of resources within the Capital Programme to enable important work to be carried out in the Swimming Pool Hall.***

P.J. WILKINS

CHAIR