

FINANCE AND MANAGEMENT COMMITTEE

30th April 2009

**PRESENT:-**

**Conservative Group**

Councillor Harrison (Chairman), Councillor Wheeler (Vice-Chairman) and Councillors Bladen, Mrs. Coyle, Ford, Grant, Roberts and Mrs. Wheeler.

**Labour Group**

Councillors Pabla, Rhind (substitute for Councillor Richards), Southerd, Taylor and Wilkins.

**In Attendance**

Councillors Atkin, Mrs. Farrington, Jones and Lemmon (Conservative Group) and Councillor Richards (Labour Group).

FM/116. **MINUTES**

The Open Minutes of the Meeting held on 19th March 2009 were taken as read, approved as a true record and signed by the Chairman.

FM/117. **DECLARATIONS OF INTEREST**

Councillors Ford, Harrison and Southerd declared personal interests in respect of the agenda item on the European Parliamentary and County Council Elections, as current Members of Derbyshire County Council.

**MATTERS DELEGATED TO COMMITTEE**

FM/118. **ANNUAL AUDIT AND INSPECTION LETTER**

The Chairman welcomed Beverley Parker of the Audit Commission who gave a presentation to Members on the Annual Audit and Inspection Letter. Initially Mrs. Parker referred to the key messages, before focusing on how South Derbyshire District Council was performing. She commented on the previous performance rating of South Derbyshire as "fair" and the evidence of the Council improving on outcomes. The Council had made progress on each of its priority areas. Overall performance was improving and compared well to other councils, with 35% of performance indicators being upper quartile, which was above the national average. Reference was made to the achievement of Level 2 of the Equality Standard and the plans in place to achieve Level 3. Value for money was also referred to. The report highlighted the Council's robust, aligned plans to sustain future improvements and reference was made to the integration of business and financial planning. Mrs. Parker referred to the inspection of the Strategic Housing Services in 2008. Next, she spoke about the audit of the accounts and an unqualified opinion had been provided. In summary, this was a very positive assessment,

although the Council had to be mindful of its future financial position. Mrs. Parker then drew Members' attention to recommendations within the Audit and Inspection Letter.

Questions were invited and the first concerned Equalities and Diversity and whether this had been diluted with the re-titling to Equality and Fairness. The title of this Member Champion role had been changed following stakeholder consultation, as there was more understanding of the term "fairness". It was considered the Council was still as focused on diversity issues.

Reference was made to the direction of travel and continued efficiency savings, on which the staff were to be commended. There was discussion about the new structure and comprehensive area assessment. It was confirmed that this would focus more on outcomes, rather than processes and it was considered the Council was well placed, with reference also being made to the use of resources. Further tributes were paid to the staff for the continuous improvement demonstrated through the Audit and Inspection Letter.

**RESOLVED:-**

***That the Committee accepts the Annual Audit and Inspection Letter for 2007/08.***

FM/119. **AUDIT SUB-COMMITTEE**

**RESOLVED:-**

***That the Minutes of the Audit Sub-Committee Meeting held on 8th April 2009 are received and any recommendations contained therein are approved and adopted.***

FM/120. **MORTGAGE INTEREST RATE**

It was reported that the Council was required to declare the Local Average Rate of Interest for the six months from April to September 2009. This rate had been calculated to be 5.13%. Borrowers were actually charged the higher of the Standard National Rate declared by the Secretary of State and the Local Average Rate. The Standard National Rate was currently lower and therefore borrowers would be charged at 5.13%.

**RESOLVED:-**

***That the Committee declares the Local Average Rate of Interest at 5.13% for the period April – September 2009 and that the Council's mortgage rate be reduced to 5.13% with effect from 1st April 2009.***

FM/121. **BUDGET AND FINANCIAL MONITORING 2008/09 – PROVISIONAL OUT-TURN**

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 summary was given from the previous monitoring reports. The latest position was reported and a table provided an analysis of

expenditure by main service area. The report included a section on proposed carry-forwards that had already been approved and detail was provided of a number of additional proposals, together with the overall effect on general reserves. Details were then given of the major variances for the following service areas:-

- Environmental Services
- Management, Finance and Property
- Private Sector Housing and Public Buildings
- Organisational Development
- IT and Business Improvement
- Legal and Democratic Services
- Leisure and Community Development
- Planning Services
- Customer Services, including Revenues and Benefits, Concessionary Travel

An update was provided on housing benefit subsidy, particularly on reductions to the amounts set aside for suspended benefit cases. A further section looked at changes to revenues and financial systems.

The next section of the report focused on the Housing Revenue Account (HRA). A table was submitted to provide an analysis of expenditure by main service area. This showed that the net surplus on the HRA was projected to be approximately £139,000 higher than estimated. The reasons for the additional income and other major variances were reported.

Capital expenditure and financing were reported and a further table analysed spending by main service or project area. A Treasury Management analysis of the Council's borrowing and short-term investments/bank deposits was then reported and this included information on overall debt liability.

The Leader of the Council referred to negative subsidy and a recent letter sent to the Government to request that this matter be addressed speedily.

**RESOLVED:-**

- (1) That the latest budget and financial monitoring figures for 2008/09 are approved.***
- (2) That the proposals to carry forward resources from 2008/09 to 2009/10 as summarised within the report are approved.***
- (3) That Government grant of £9,758 for amendments to revenue systems is transferred to the IT Reserve.***
- (4) That £20,000 for updating financial systems is transferred to the IT Reserve.***

FM/122. **CORPORATE COMMUNICATIONS STRATEGY 2009-2014**

It was reported that the Corporate Communications Strategy provided a focus for the communication activities of the Council, in fulfilling the priorities for the people of South Derbyshire. Corporate Communications covered a range of media management, publications, external and internal communications.

Through targeted activities, the Council could continue to enhance its reputation and profile at the local and national level. Good corporate communications could encourage people to feel positively about the Council, as they were better informed, had higher levels of satisfaction and knew they were getting value for money. A report was submitted to outline how this would be achieved. It provided detail on the achievements for 2008/09, before looking at priorities for 2009/10. A revised Action Plan had been produced which detailed the key priorities for the coming year. A Member urged everyone to view the Action Plan and Communications Strategy.

**RESOLVED:-**

***That the Corporate Communications Strategy for the period 2009 – 2014, a copy of which is incorporated in the Signed Minute Book at Annexe SMB1 and the associated Action Plan are approved.***

FM/123. **EUROPEAN PARLIAMENTARY AND COUNTY COUNCIL ELECTIONS – 4TH JUNE 2009**

It was reported that for each election, the Council designated a list of premises to be used as polling stations. In preparation for the European Parliamentary and County Council elections, a review of polling places had been undertaken. Details were provided in an appendix to the report, which the Committee was asked to note. Members were also asked to approve proposals for staff to be granted paid leave, to undertake duties associated with polling stations and the counts for the European Parliamentary and County Council Elections. A Member commented that one of the polling stations had recently been vandalised and Officers would look into this matter. A request was made for the future to look at polling arrangements in Woodville.

**RESOLVED:-**

- (1) That the Committee notes the list of designated polling places for the European Parliamentary and County Council Elections to be held on 4th June 2009 and that it be noted that the cost of these Elections will be met by the Government and Derbyshire County Council respectively.***
- (2) That staff involved in the administration of polling stations on 4th June 2009 and the counting of votes on 5th June 2009 be granted paid leave on those days.***

FM/124. **SUPPORTING PEOPLE CHARGES – SHELTERED HOUSING**

It was reported that since 2002, support provided to the Council's sheltered housing tenants was commissioned and funded through the County-wide Supporting People Programme. For tenants, this meant an additional weekly charge was made to cover the costs of providing sheltered housing support. The Council had been advised that it had been granted an inflationary increase of 2.5%, increasing the weekly charge to £9.66 per week, applicable from 1st June 2009. The actual cost to the Housing Revenue Account of providing the service was £12.78 per property per week.

A Member questioned what the charge covered and this provided a range of measures tailored to meet individual's circumstances. A comment was also made about the subsidy provided by the Council, as compared to other registered social landlords.

**RESOLVED:-**

***That the proposed increase to the Supporting People Charge for the provision of housing-related support to our sheltered housing tenants be approved.***

FM/125. **WORK PROGRAMME**

**RESOLVED:-**

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

FM/126. **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 19th March 2009 were received.***

**LAND AT CHURCH GRESLEY (Paragraph 3)**

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

**LAND AT REPTON (Paragraph 3)**

***The Committee granted a request for a change of use for an area of land sold recently by the Council.***

**TRANSFER OF LAND AT VILLAGE HALL SITE, HILTON (Paragraph 3)**

***The Committee approved terms for the transfer via long-term lease of an area of Council-owned land.***

**STAFFING ARRANGEMENTS – SWADLINCOTE WOODLANDS AND GROUNDS MAINTENANCE TEAM (Paragraph 4)**

***The Committee agreed to amend the above staffing arrangements in principle, subject to appropriate consultation.***

**EXTRA CARE HOUSING PROJECT (Paragraph 3)**

***The Committee approved proposals for the payment of disturbance costs associated with the Extra Care Housing Project.***

**SENIOR MANAGEMENT REVIEW (Paragraph 1)**

***The Committee confirmed earlier proposals, following consultation for a Senior Management Review.***

J. HARRISON

CHAIRMAN