OPEN

FINANCE AND MANAGEMENT COMMITTEE

25th November 2004

PRESENT:-

Labour Group
Councillor Wilkins (Chair), Councillor Pabla (Vice-Chair) and Councillors Carroll, Isham (substitute for Councillor Mulgrew) Lauro, Southerd, and Whyman, M.B.E).

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

In Attendance
Councillor Harrington (Labour Group).

APOLOGIES

Apologies for absence from the Meeting were received from Councillors Mulgrew and Southern (Labour Group) and Councillors Lemmon and Nalty (Conservative Group).

FM/64. **MINUTES**

The Open Minutes of the Meeting held on 14th October 2004 were taken as read, approved as a true record and signed by the Chair.

FM/65. **DECLARATIONS OF INTEREST**

Councillor Whyman M.B.E. declared a personal interest in respect of Item 12 – Nottingham East Midlands Airport: Proposed Changes to Controlled Airspace Phase 2 Consultation Process.

MATTERS DELEGATED TO COMMITTEE

FM/66. **IMPROVEMENT PANEL**

RESOLVED:-

That the Minutes of the Improvement Panel Meetings held on 21st October and 9th November 2004 be received.

FM/67. **2004/2007 SERVICE PLANS – HALF YEAR MONITORING REPORTS**

It was reported that Service Plans were an important part of the Council's performance management framework. In the autumn/winter of 2003, the Committee approved Service Plans for the following Divisions:-

- Economic Development (in relation to asset management only)
- Human Resources

- Legal and Democratic Services
- Financial Services
- Revenue Services
- Internal Audit
- IT Services
- Customer Services
- Policy & Best Value

These Plans were intended to provide a basis for service delivery during the current financial year and over the next two years. Reports were provided to review progress from 1st April to 30th September 2004. Members were reminded of the form and content of each Service Plan.

With regard to the Economic Development Service Plan, Councillor Southerd asked for an update on the transfer of responsibility for asset management issues to single person. The Head of Finance and Property Services confirmed that a Corporate Asset Manager would commence employment with the Council early in the New Year.

Consideration was given to the Human Resources Service Plan. On behalf of Councillor Southern, the Leader questioned the justification for corporate centralised costs for Human Resources, Legal and IT to the Housing Department. The Chief Executive agreed to respond to Councillor Southern on this matter. The Service Plan for the Legal and Democratic Services Division was considered. Councillor Mrs. Wheeler commented on the indicator to respond to written communications within ten working days. She suggested that this indicator should be used by all divisions. Councillor Harrison sought clarification on the Public Relations Performance Indicators and this was duly provided.

The Chair submitted questions on the Service Plan for the Finance Services Division, about risk management and insurance. The Head of Finance and Property Services replied that a report was due to be submitted to the Finance and Management Committee early in 2005. The Leader asked Officers to confirm the variety of ways in which payments could now be received by the Council. The Head of Finance and Property Services confirmed several payment methods and explained the benefits of the new financial management system. The Head of Revenues explained further payment options. Councillor Atkin asked how the Council combated Internet fraud problems and the Head of IT and Customer Services confirmed the external safeguards in place.

The Service Plan for the Customer Services Division was considered with updates provided about the review of the Council's corporate image, those tasks at risk of non-delivery, performance indicators and emerging issues. In particular, clarification was provided on the potential additional costs for refurbishment of the reception area and Officers agreed to circulate further information regarding the Print Room profit percentages. An explanation was provided about abandoned telephone calls.

RESOLVED:-

That the half-year Service Plan Monitoring Reports for the following Divisions be received and that Members' comments be noted:-

- ***Economic Development (in relation to asset management only)***

- ***Human Resources***
- ***Legal and Democratic Services***
- ***Financial Services***
- ***Revenue Services***
- ***Internal Audit***
- ***IT Services***
- ***Customer Services***
- ***Policy and Best Value***

FM/68. **DRAFT SOUTH DERBYSHIRE COMMUNITY STRATEGY**

It was reported that the South Derbyshire Local Strategic Partnership (SDLSP) had formally invited the Council to comment on the Draft South Derbyshire Community Strategy. The Committee received a report, as part of a wider programme of consultation. This sought to encourage local people and groups, business and other interested organisations to come forward with their own ideas about what needed to be done to improve the quality of life in South Derbyshire over the next five years. Feedback from consultees would be used to shape the final version of the strategy, which would be submitted to the SDLSP Forum in January 2005. Potentially, the strategy could have an impact on the planning and delivery of many Council services. It was important for all policy committees to have the opportunity of commenting on the proposals. Comments would be collated by the Community Scrutiny Committee, which would draft a composite response for consideration by the Council in early December.

The report outlined the role and purpose of the Community Strategy, together with its content. The draft Strategy was made up of a number of "building blocks", comprising:-

- An overall Vision
- Six broad themes
- Priorities for Action
- Examples of the types of action that could be taken

The vision of the strategy was "Working Together for a Better South Derbyshire". To deliver this vision, six broad themes had been identified and these were reported. There was a need for the SDLSP to set priorities and these had been identified for each theme, together with examples of possible actions. Appended to the report were copies of slides used at the Members' Workshop. These summarised the challenges to be faced over the next five years, the vision, suggested priorities and possible actions for the SDLSP. A number of questions were posed to assist the Committee in making comments on this consultation.

The Leader of the Council felt it was vital for Members to give consideration to the Draft Community Strategy. He urged Members' comments either through this forum or separately. Councillor Harrington confirmed that the Community Scrutiny Committee would receive any additional feedback from Members at its Meeting the following Monday.

RESOLVED:-

That Members be invited to comment on the Draft South Derbyshire Community Strategy.

FM/69. **AMENDMENT OF MORTGAGE INTEREST RATE**

Under Minute No. FM/29 of 2nd September 2004, the Committee declared the local average rate of interest for the period October 2004 to March 2005 at 5.19%. Notification had since been received from the Secretary of State of a change to the standard national rate of interest from 5.19% to 6.28% with effect from 1st October 2004. As the standard national rate was higher than the local rate of 5.13%, the mortgage interest rate needed to be increased to 6.28% for the period January 2005 to March 2005. The effective date for the rate change was therefore 1st January 2005, as borrowers were required to be given one months notice of any changes.

RESOLVED:-

That the Committee sets a mortgage interest rate of 6.28% for the period January to March 2005.

FM/70. **COMPLAINTS**

The Committee received a report, which summarised the official complaints made to the Council for the previous financial year and the first six months of the current financial year. In the past, statistics had been provided on the DSO and Environmental Health Divisions. These statistics conflicted with the Corporate Complaints report and did not focus on actual complaints, but reported requests for service and service failure. It was proposed that this information be omitted from future complaint reports.

Tables were submitted to compare the official complaints received for the last financial year and the first six months of the current financial year. A breakdown was provided of the 21 complaints received, together with the decisions made by the Ombudsman. The first meeting of the Corporate Complaints Review Group had taken place and feedback indicated that current systems were satisfactory. However, the procedure needed to include a system where closed complaints were used to investigate trends and identify areas for improvement.

The Leader of the Council felt that a small number of complaints were received when considering the range of services provided and staff should be congratulated. The Chair requested that a more detailed breakdown be provided of complaint statistics. Officers sought guidance on the detail required and it was suggested that examples be provided of the types of complaint made. This was demonstrated by reference to a complaint about mobile telephone masts. Councillor Mrs. Wheeler requested that the Ombudsman's decision for local settlement of a housing case be considered by the appropriate policy committee. The Chief Executive confirmed that where there was a financial implication, the matter was referred to the appropriate policy committee. Councillor Southerd felt that the District Council provided a vehicle for complaint rather than there being complaints about the service provided.

RESOLVED:-

That the contents of the report be noted.

FM/71. **NOTTINGHAM EAST MIDLANDS AIRPORT: PROPOSED CHANGES TO CONTROLLED AIRSPACE - PHASE 2: CONSULTATION PROCESS**

Note: Councillor Whyman M.B.E. withdrew from the Meeting during the determination of this item.

The Committee was reminded of a consultation on proposed aircraft movements in September 2002. This was considered by a Task and Finish Working Group with recommendations made to the Finance and Management Committee. There had been some criticism of this consultation process, particularly as an affected local authority had not been included in the consultation arrangements. As a result, the current document had been prepared to complete the consultation process. All previous comments would remain valid and would be taken into account before any decision was made. The proposed changes had been prepared with the following principles in mind:-

(i) to ensure safe separation and management of air traffic;
(ii) minimise the environmental impact of air traffic, by reference to the number of people impacted and the height of aircraft over them; and
(iii) improve the efficiency of the air traffic control system, so that it could cope safely with the growth in traffic.

Aircraft normally approached and departed into the wind and therefore the routes taken varied according to wind direction. Typically, approximately 70% of aircraft movements made use of a prevailing westerly wind.

With regard to departures, westerly departing aircraft were unaffected by the proposed changes. Changes to easterly departures were shown in plans attached to the report, with a description of proposed changes to the "Trent" routes. Similarly, for arrivals, details were provided of the current aircraft routing for westerly and easterly arrivals and further plans were attached to the report.

At busy times, aircraft had to be retained in a "holding" area prior to making their final approach. In 2003, the Airport held aircraft for a total of 17 hours, but this was expected to increase. Further plans attached to the report showed the two current holding areas and the proposals for these to be relocated to the north of Derby and south-east of Leicester.

Airspace in the Midlands was congested and as a consequence, arriving aircraft were commonly instructed to descend to low altitudes some distance from the Airport, which caused greater noise impact. The proposed airspace changes would allow arriving aircraft altitudes to be increased significantly. They would then be able to descend using minimal engine power, reducing noise impact by up to five decibels.

To provide a context, the Consultation Paper included a section on noise impacts and showed the position of critical noise contours in 2003. Further appendices to the report showed the day and night time noise contours. A table was submitted to show the average number of flights per day on routes passing over or close to South Derbyshire in 2003, together with forecasts based on an assumption of a 50% growth in passenger and freight movements.

In conclusion, the report discussed the likely impact for South Derbyshire in terms of noise and increased congestion. An extract was provided from a Government White Paper. It was suggested that the changes be welcomed, but that disappointment be expressed that the proposals would not contribute towards reducing the noise impact of westerly departures on South Derbyshire residents.

Councillor Carroll welcomed the proposals overall but there was disappointment for Melbourne residents, particularly as there were no plans to reduce the number of night time flights. It was considered that the continuous descent approach should help to reduce the noise problems to an extent. Councillor Atkin explained the concerns of residents in the Aston Ward and he spoke particularly about the noise generated by stationary aircraft waiting to depart from the Airport. He referred also to increases in aircraft movements and questioned whether there was an upper limit. In response, the Officer explained the ongoing research by North-West Leicestershire District Council. Councillor Harrison commented on relocating the "holding" areas. He confirmed that the noise preferential routes applied only to departing aircraft and not those landing at the Airport. The continuous descent was welcomed, but projected increases in aircraft movements were a cause for concern. He referred to a future Airport consultation on its 20 year master plan. He also commented on the need for noise amelioration measures as the Airport expanded and the future consultation would require considerable thought. Councillor Ford questioned the accuracy of some of the submitted plans showing departure routes.

RESOLVED:-

(1) That the proposed changes be welcomed, particularly with regard to the relocation of the holding area to the south-west of Melbourne and potential reductions in noise affecting South Derbyshire residents from easterly arrivals and departures.

(2) That disappointment be expressed as the proposals will not contribute towards reducing the noise impact of westerly departures for South Derbyshire residents.

Note: At 6.40 p.m. Councillor Whyman M.B.E. rejoined the Meeting.

FM/72. **COMMUNITY SPORTS COACH**

It was reported that, at its Meeting on 18th November 2004, the Housing and Community Services Committee had received a report about the employment of a Community Sports Coach. The Coach would deliver multi-sports and outdoor activities/extreme sports to children and young people through the Get Active in the Forest Project. Delivery would take place in targeted areas of anti-social behaviour, schools, outreach areas, youth clubs, sports centres, Rosliston Forestry Centre and areas where youth provision was unsatisfactory. It would assist in expanding the summer holiday programme and compliment existing activities. South Derbyshire was one of only two Councils in Derbyshire to be allocated a full-time Community Sports Coach. The annual cost of the project was £30,000 and funding had been secured from a number of sources. It was hoped that the remaining shortfall of £4,000 could be covered from sponsorship and a Service Development Proposal for £1,500. The recruitment of the coach would not be undertaken until the required funding was in place. Councillor Ford spoke in support of

this project, to encourage sport in rural areas and this view was shared by the Council's Leader.

RESOLVED:-

That subject to the availability of funding, the Council recruits a Community Sports Coach on a three-year contract, at a salary of scale 5.

FM/73. **RACE EQUALITY SCHEME ACTION PLAN 2003/04 (YEAR END REPORT)**

It was reported that the Race Equality Scheme showed how the Council intended to fulfil its duties under the Race Relations (Amendment) Act 2000. The Council's first Scheme was formally approved and adopted in December 2003 and was accompanied by a three-year action plan.

A report was submitted to detail the progress made over the past year in delivering the Action Plan and to outline arrangements for reviewing and rolling forward the Action Plan for a further twelve month period. A copy of the Year End Report was submitted and details were provided of its form and content. The report had a number of "Key Messages" which were summarised. It was proposed to make the report available widely, so that local people and other stakeholders could form a judgement about the Council's performance and progress on racial equality issues.

The Action Plan needed to be reviewed and rolled forward to cover the period 2005/08. A suggested project brief was appended to the report. It was proposed to develop a new action plan around a small number of priority themes. This was designed to ensure that resources were not spread too thinly and that local people could see a real difference in service outcomes. Possible themes included impact assessment, communication, Member and employee training and development, leadership, service delivery and standards and performance management. The brief recognised that themes and priorities would need to be set in consultation with stakeholders and at this stage, initial views were sought from the Committee. Councillor Lauro felt that the report showed the ambitious programme of work in this area. There was a need to make progress and he referred to three year Action Plan and suggested the following priority themes:-

- Service delivery and standards – mainstreaming equality and diversity issues
- Impact assessment – policy proofing of proposed and existing Council policies, plans and strategies
- Members and employees – training and development, recruitment and retention

Councillor Isham voiced her disappointment as the Equalities and Diversity Champion, that she had not been consulted on this matter. She explained that the values and attitudes forum, whilst advisory in nature, comprised experts at a strategic level in their respective fields. She reported on the progress made by the Group to date. It was noted that a number of Members were still to attend Equalities and Diversity training. Councillor Mrs. Wheeler sought details of those Members that had not attended the training. The Leader asked that a final training event be organised in consultation with the appropriate Members. Councillor Southerd reaffirmed the need for Member Champions to be given notice of relevant issues. The Deputy Chief Executive

apologised for the clear omission and assured that this would not be repeated.

RESOLVED:-

(1) That the Race Equality Scheme Action Plan 2003/04 (Year End Report) be received and that arrangements be made for publicising the report on the Council's website and within the local community.

(2) That the project brief for reviewing and rolling forward the Race Equality Scheme Action Plan be agreed.

(3) That Members' views be taken on board with regard to the suggested themes and priorities for inclusion in the new Race Equality Scheme Action Plan.

FM/74. **ESTABLISHMENT OF THE COUNCIL AS ACCOUNTABLE BODY FOR THE SOUTH DERBYSHIRE LOCAL STRATEGIC PARTNERSHIP**

The Committee's approval was sought to establish the Council as the accountable body for the South Derbyshire Local Strategic Partnership (SDLSP). The Council had been instrumental in establishing the LSP, which was an unincorporated, non-statutory, non-executive body. The Council was named as the accountable body in both the partnership's draft and formally approved constitution.

The accountable body would be responsible for the receipt and management of financial and other resources. The report explained the composition of the LSP and one of its key tasks was to devise and implement a Community Strategy. A copy of the Partnership's constitution was appended to the report.

Initially, the Partnership had very limited financial resources. However, in the spring of 2004/05, the Derby and Derbyshire Economic Partnership (DDEP) announced that it was devolving £150,000 of its annual budget to the Partnership. The LSP Board set up a business planning sub-group and it submitted a business plan to DDEP in the summer of 2004. The plan comprised six projects, which were outlined. DDEP had appraised the projects individually and given its approval to them all. In addition to the £150,000 allocated in the current financial year, DDEP had indicated the same level of funding would be forthcoming in 2005/06 and 2006/07. The LSP Board was in the process of convening a restructured business planning group, to formulate new business plans and undertake contingency planning. The finalised formal contract with DDEP had not yet been received. Appended to the report was an example of a DDEP standard contract. The risk attached to the terms and conditions was largely mitigated by funding agreements that would be issued by the accountable body to all project lead agents, with terms and conditions reflecting those contained in the DDEP contract.

RESOLVED:-

That approval be given to the establishment of the Council as the accountable body for the South Derbyshire Local Strategic Partnership

and that Members note the arrangements and responsibilities attached to the role.

FM/75. **PARTNERSHIP FUNDING WORKING GROUP**

The Chair had been made aware of this additional item and was of the opinion that it should be considered as a matter of urgency, to enable the Partnership Funding Working Group to be reconvened and the determination of an application for grant funding.

It was reported that in June 2003, the Council appointed a Partnership Funding Working Group to consider applications for the distribution of monies held for community projects. The Committee was asked to consider reconvening this Working Panel and details were provided of the Members appointed to it previously. The suggested Terms of Reference were:-

- To monitor and review the allocation of partnership funding.
- To consider applications for funding and support from local community and voluntary-based groups.
- To make recommendations to the Finance and Management Committee on the utilisation of partnership funds.

The Leader of the Council reminded of the previous protocol, that relevant local Members would be involved at all stages in the distribution of these resources. Nominations were made by each group on the composition of this Panel.

RESOLVED:-

That the Partnership Funding Working Panel be reconvened to consider applications for funding and that the Panel comprises:-

Labour Group
Councillors Harrington, Isham, Lauro, Southerd and Southern.

Conservative Group
Councillor Mrs. Wheeler
(substitute: Councillor Atkin)

FM/76. **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 14th October 2004 were received.

REPORT OF OVERVIEW COMMITTEE – ROLE OF CHAIR AND VICE-CHAIR OF COUNCIL (Paragraphs 1, 7, 8 and 9)

The Committee received a report from the Overview Committee and deferred consideration of this item to the Council Meeting.

REVIEW OF DUTIES – COMMERCIAL AND LICENSING MANAGER'S POST (Paragraph 1)

The Committee approved the re-grading of the Commercial and Licensing Manager's Post.

REVIEW OF DUTIES – WASTE AND CLEANSING MANAGER (Paragraph 1)

The Committee approved the re-grading of the Waste and Cleansing Manager's post.

ACQUISITION OF COMMUNICATIONS DATA (Paragraph 5)

The Committee approved the appointment of a contractor for this service.

STATEMENT OF COMMUNITY INVOLVEMENT/CORPORATE CONSULTATION STRATEGY – APPOINTMENT OF CONSULTANTS (Paragraph 9)

The Committee approved the appointment of consultants.

MANAGEMENT ARRANGEMENTS – PLANNING SERVICE (Paragraph 1)

The Committee received a report about changes to the national planning framework and approved in principle proposals to review the management arrangements within the Planning Service.

P.J. WILKINS

CHAIR