

FINANCE AND MANAGEMENT COMMITTEE

2nd September 2004

PRESENT:-

Labour Group

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

Conservative Group

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

In Attendance

Councillor Atkin (Conservative Group).

APOLOGIES

Apologies for absence from the Meeting were received from Councillors Mulgrew and Southerd (Labour Group).

FM/26. **MINUTES**

The Open Minutes of the Meeting held on 22nd July 2004 were taken as read, approved as a true record and signed by the Chair.

FM/27. **DECLARATIONS OF INTEREST**

Councillor Taylor declared a personal interest in item No. 20 – Access to Foul Drain on Council-owned land at Blacksmiths Lane, Woodville.

MATTERS DELEGATED TO COMMITTEE

FM/28. **RECRUITMENT AND SELECTION WORKING PANEL**

RESOLVED:-

That the Open Minutes of the Recruitment and Selection Working Panel Meetings held on 2nd and 4th August 2004 be received.

FM/29. **MORTGAGE INTEREST RATE**

It was reported that the Committee was required to declare the Local Average Rate of interest for the six months from October 2004 to March 2005. The 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 rate was based on the rates charged by banks and building societies and was currently 5.19%. Borrowers would therefore be charged 5.19%, which was the same as the rate currently charged.

RESOLVED:-

That the Committee declares the Local Average Rate of Interest for the period October 2004 to March 2005 at 5.19%.

FM/30. FINANCE BRIEFING (JULY/AUGUST 04)

The Committee received a Finance Briefing, which set out the Council's current financial position. It indicated at this early stage that spending was projected to be well within budget for the General Fund by some £64,000 over the financial year. This was mainly as a result of extra planning fee income and savings related to vacant posts. In future months, these savings would be offset by recruitment costs associated with filling vacant posts and proposals for additional staffing within the Building Control Section. The Committee's approval was sought within the Finance Briefing for some urgent health and safety works at the Council's Depot, which were estimated to cost up to £20,000.

The position on the Housing Revenue Account was less healthy, with a projected shortfall of £200,000, due almost entirely to shortfall in rent income, as more Council properties were sold. This had been offset by extra subsidy paid at the end of the last financial year, which boosted balances by some £200,000. It was too early to monitor capital spending which had a longer lead time, with the need to arrange contracts. Nevertheless, 15% of the Capital Budget was spent by the end of the first quarter. A further report would be submitted to the November meeting of the Committee to set out the position at the end of the second quarter. This would provide a clearer indication of Council spending for the year.

The Director of Community Services referred to the visit by the Health and Safety Executive and he explained that a follow-up visit would be held shortly. At the Chair's request he agreed to circulate details to Members of the works undertaken. Councillor Southern questioned whether the additional resources being sought were to undertake works identified during the Health and Safety Executive's visit. The Director of Community Services clarified that, with the exception of asbestos, no further problems had been identified at the Council's Depot. The resources being sought were to complete planned maintenance works.

Councillor Harrison referred to the General Fund analysis of main variances and he submitted questions about the costs of the Homelessness Service, especially for bed and breakfast accommodation. There appeared an upward trend in current and projected costs. The Finance Services Manager offered to provide further information to Councillor Harrison. The Chair questioned whether there was a projected year on year increase for this service and this was confirmed. The Chief Finance Officer explained that the finance briefing was based on week 13, but it projected costs for the full financial year. It was acknowledged that the Council had little control over demands for this service. The next monitoring report should provide more clarity on expenditure for this service.

In response to questions from the Leader of the Council, the Director of Community Services clarified the need for an additional £20,000 to undertake urgent health and safety works at the Council's Depot. Additional resources might be required to undertake further repair and maintenance works at the Depot. This would be the subject of a separate report to a future

meeting of the Committee. The Leader made a comparison between the process undertaken by the Services and Financial Planning Working Group to assess service developments and this reactive process, to authorise further expenditure from indicative surpluses within the budget. The Chief Finance Officer felt that this expenditure was unavoidable. The Director of Community Services provided a breakdown of the works required with regard to dust extraction, the filling of a vehicle pit and various other “housekeeping” works, together with the risks of not undertaking the works.

RESOLVED:-

That the Committee approves an allocation of up to £20,000 for urgent health and safety works at the Council’s Depot, to be met from projected underspent resources in the current year’s budget.

FM/31. **HOUSING STOCK OPTIONS REVIEW - FINANCIAL APPRAISAL**

The Committee received a report and detailed supporting information on the financial appraisal for the housing stock options review. It was reported that the Housing and Community Services Committee gave consideration to the stock options process at its meeting on 26th August 2004. It deferred final determination of this matter, to enable further consideration of the options. Accordingly, it was suggested that the financial appraisal be similarly deferred until such time as the Housing and Community Services Committee had determined a way forward on the stock options process.

RESOLVED:-

That the report be accepted and that further consideration be given to the Financial Appraisal once the Housing and Community Services Committee has reached a decision on the Stock Options Final Report.

FM/32. **PARTNERSHIP FUNDING WORKING GROUP: ALLOCATION OF PARTNERSHIP FUNDING MONIES**

Under Minute No. FM/6 of 12th June 2003, it was agreed to establish a task and finish working group to consider the distribution of resources from Section 106 and Land Agreement funds. To date, the Partnership Funding Working Group had allocated funds of £162,500. At its Meeting on 19th July 2004, the Working Group proposed the allocation of funds totalling £34,600. A grant of £4,600 was proposed for the Gresley Scout Group to complete flooring works at the Scout Hut. It was proposed to grant £10,000 for play equipment as part of the second phase of the Coton Park project. The sum of £20,000 to match funding for tree works as part of the Maurice Lea Park Improvement Project, was also proposed.

If approved, this would leave £197,900 of Partnership Funding resources available for future allocation.

RESOLVED:-

That the Committee approves the allocation of partnership funding monies to the following projects:-

- **Gresley Scout Group**
- **Coton Park**

- **Maurice Lea Park**

FM/33. **SENIOR OFFICER DISMISSALS PROCEDURE**

It was reported that the Local Authorities (Standing Orders)(England) Regulations came into force in November 2001. These were designed to achieve policy aims and to provide clarity on the role of Elected Members in the appointment and dismissal of Senior Officers. Under the Regulations, Members might take part in the appointment, dismissal or disciplinary action in respect of the Head of Paid Service, Statutory Officers, Non-Statutory Chief Officers and Deputy Chief Officers.

The Regulations provided that the disciplinary action should be undertaken by a Council Committee, currently Finance and Management, or appointed sub-committee. For the Head of Paid Service, action should be undertaken by the Council or an appointed sub-committee.

The report then explained that the relevant Members would be notified of disciplinary sanctions and given three days to respond. Members could object and make representations on grounds that were material and well founded. It was clarified that Members had no right to change a decision to take disciplinary action. A formal record would be made of decisions taken against Officers, including a note to confirm whether there were any Member objections to the decision. It was noted that different arrangements would apply for disciplinary action taken against the Head of Paid Service.

It was held as best practice to enable an appeal against any decision taken in disciplinary matters. For action relating to the Head of Paid Service, it could be viewed that the involvement of Council would prevent any further internal appeal. Advice on this matter had been sought from the Employers Organisation and it was currently reviewing the practical implications of the regulations. Initially, it was viewed that seeking the approval of Council enabled an appeal in lieu. Any further action would need to be taken outside the Council.

The Statutory Disciplinary Procedure became effective on 1st October 2004. It would provide for an appeal to be included as part of any disciplinary procedure and this would create procedural difficulties in matters relating to the Head of Paid Service. For other Senior Officers, it was proposed for an Appeal Panel to be comprised from Members of Council, subject to the Members having no previous involvement in the matter. Consideration would need to be given to who would present the Council's case. Possible options were the Chair of the Committee that made the original decision, any independent person used or the Head of Personnel.

It was confirmed that consultation had been undertaken at the national level on the proposed procedure.

RESOLVED:-

- (1) ***That the Procedure submitted be approved for any disciplinary action taken in respect of Divisional Managers (proposed under the Senior Management Restructure, that these posts be re-titled Heads of Service), Directors or the Head of Paid Service.***

- (2) That the existing practice of delegating disciplinary action below this level (i.e. Heads of Service) to Officers should continue.***
- (3) That the Council be recommended to amend the Constitution to reflect the Procedure, by extending the Committee's Terms of Reference, to include reference to the posts of Heads of Service.***
- (4) That a further report be submitted to a future Meeting of the Committee in relation to providing an Appeal Process within the Disciplinary Procedure for the Head of Paid Service, when further advice from the Employers Organisation has been received***

FM/34. **GRIEVANCE PROCEDURE**

It was reported that the current Grievance Procedure was adopted by the Council in March 2001. Statutory grievance procedures included within the Employment Act 2000 would come into force on 1st October 2004. This required a review of the Council's Grievance Procedure. The ACAS Code of Practice had also been revised to take account of the new statutory procedures. Employment Tribunals took this into account when considering how an employer had handled a particular case. There were also statutory procedures concerning dismissal and as a result, the Council's Disciplinary Procedure was being reviewed. There were statutory grievance procedures, which created a minimum standard for employees to comply with. These were a standard three-step procedure and a modified two step procedure. The report explained both procedures and the circumstances in which each should be used.

Consultation had been undertaken through the Joint Negotiating Group. It had agreed that the proposed procedure be reported to Committee for formal adoption, to help ensure that the Council had a compliant procedure implemented by 1st October 2004. If approved, the procedure would be revisited by the Joint Negotiating Group to discuss minor procedural issues. It was noted that former employees would now be able to submit a grievance. This provision would only be available to employees that left the Council's employment after 1st October 2004.

RESOLVED:-

That the Committee approves the proposed Grievance Procedure as submitted, subject to the Procedure being revisited by the Joint Negotiating Group, to discuss minor procedural issues.

FM/35. **CUSTOMER FIRST**

The Committee considered a comprehensive report on progress with this project. By way of background, Members were reminded of the decisions taken in December 2003 to commence the Customer First Project. The report outlined the services that, over time, would be covered at the first point of contact. The implementation of the Customer Relationship Management System was linked closely to the implementation of a new Council telephone system. At its Meeting in January 2004, the Committee approved the implementation of a replacement telephone system. A Member Working Group was established and it had met seven times to develop the project and review its implementation.

Details were provided of the progress made to date. The Council's new telephone system was implemented in March 2004. It had been possible to relocate the main switchboard to the Contact Centre office. Reception staff and Customer Services staff had been trained on the new switchboard, which had increased staff cover for the switchboard. Training was provided for all staff on the new telephone system and the report explained the extra facilities and benefits that the new system offered. This included management information, which enabled measurement of the service provided to customers. The call monitoring information indicated there were some instances when customers were having to wait a considerable time for their call to be answered or where the call was not answered. The Customer Services Team was working with those divisions to explore the potential for the Contact Centre to help with these enquiries and to deliver a more a prompt service to customers.

The Customer Relationship Management (CRM) System was implemented in March 2004. Funding for this system, amounting to £100,000 was met by the Derbyshire Partnership. The system had been implemented with core processes for pest control and Council Tax information. The report then explained developments to the CRM System. Processes had been added for enquiries on noise pollution, air pollution and with regard to lost and found dogs. In addition to these environmental health enquiries, the Contact Centre was now dealing with the Gold Card/Concessionary Fares Scheme, general Land Charges enquiries and enquiries about the Council Tax single resident discount. Other work areas being discussed were enquiries for bulky waste collections and expansion of the electronic payment system.

The report explained the Contact Centre's successes to date. It presently dealt with some 50 calls each day and this statistic would rise as additional processes were added to the Contact Centre. There had been a positive impact on the pest control service and details were given of the introduction of an appointment system to assist residents applying for concessionary travel "Gold Cards".

The Government had set out in detail the range of services which it expected to be delivered by electronic means, by the end of 2005. The recognised measure of success was based on the Electronic Service Delivery (ESD) tool kit, which specified the services to be provided. Staff were identifying the range of services that needed to be added to the Contact Centre and this could be achieved through process mapping and general enquiries. The intention was then to prioritise these processes in terms of the level of customer queries. This approach would ensure that the Contact Centre would have the greatest impact for customers. To date, the process mapping had been undertaken by existing staff, with some assistance from the Derbyshire Partnership. There was a need for more a specialised resource to develop these processes and this had been recognised in the Council's IEG Plans. The tool kit would also prove useful for general enquiries. It provided generic information which could be updated to reflect local circumstances. The project would be commenced in October, to work with each Division and update the available information. Once completed, members of the public would be able to access the information via the Council's website or the Contact Centre.

As part of the project, Divisions would also need to consider the service standards applied. Customers needed to know how quickly their request for service would be dealt with. In future, it would be possible to compare

service standards with those of other councils. The report examined equalities issues and the need to provide a service to customers who might not use English as their first language.

At its December 2003 Meeting, the Committee approved a feasibility study to review the main reception area. This study had been completed and the results reported to the Customer First Working Group. The report identified the building works undertaken to date, to create the Customer Contact Centre and to relocate Support Services. This had created considerable additional space for the current accommodation review. It would enable Support Service staff and Contact Centre staff to work more closely. The Committee had allocated £50,000 for the creation of a centralised reception area. This was essential to the next phase of the Customer First Project, which would involve consolidating existing reception areas and the Cash Office. It would represent a considerable improvement on the existing arrangements. A key task for the Customer Services Working Group would be to consider plans for the Reception Area, to ensure that best use was made of the allocated resources. It was essential to consider the Cash Office arrangements as part of this review. The report identified current service related issues for the Cash Office and the alternative collection arrangements introduced at other Derbyshire local authorities. The issues had been considered by the Customer Services Working Group. This had resulted in consultation with staff in the Cash Office and those within the Contact Centre, to explore the potential for the two teams to work more closely together.

The report then focused on the staffing implications. To date, the Contract Centre had been resourced from existing staff within Customer Services. A new post of Team Leader had been created. All staff attended a Customer Care training course which proved very successful. The report explained the working arrangements for staff in the Contact Centre, who rotated between the Post Room, front Reception Desk, main switchboard and dealing with Contact Centre enquiries. The changeover had not been without pressures, but staff in the Customer Services Team had responded in a positive way, which had enabled the project to progress successfully.

Future staffing implications for the Cash Office and Contact Centre were reported. The consultation feedback had been positive and staff appreciated the benefits that would result from working closer together. It had been necessary to review the Job Description and Person Specification for these posts, to reflect the wider range of duties and additional flexibility that would be required. Currently, all of the posts were graded at Scale 3. The market testing exercise suggested a wider grading structure of Scale 2-4. A key element of this grading would be a qualification bar at Scale 3. Staff wishing to progress beyond this level would need to achieve a recognised NVQ level 3 Customer Service qualification. As part of the changes, it was proposed to review the Job Description and Person Specification for the Cash Office Manager, to create a post of Deputy Team Leader.

The staffing implications associated with process mapping were also reported. It was proposed to use allocated resources to fund a two year fixed term post of a Business Analyst to develop scripts for the Customer Contact Centre. This work was currently placing a heavy burden on the IT Manager and Customer Services Manager, which meant that other key tasks were being delayed. The report reiterated the Government's priority outcomes relating to

customer relationship management and the need to refocus services on the customer in a more efficient and effective way.

The financial implications were reported for the building improvements and with regard to the Customer Contact Centre. A table showed the proposed staffing structure and associated costs, which were broadly cost neutral. It was planned to use IEG funding to meet the costs of appointing the Business Analyst.

The Leader of the Council commented that South Derbyshire was at the forefront in implementing the new Customer Relationship Management System. This initiative had been funded through the Derbyshire Partnership. He referred also to the report's staffing implications and the proposals for Contact Centre staff and those in the Cash Office to work more closely together. He questioned whether the Cash Office staff were happy with this proposal. The Chief Finance Officer responded that Cash Office staff recognised the future development of the Contact Centre and the opportunity to be involved, whilst largely retaining their current work arrangements. The proposal would offer support where staff numbers were depleted, avoiding associated pressures. However, there had been some issues around the change in working arrangements. The Leader noted plans to spend part of the Contingency Fund on a post of Business Analyst and it was confirmed that this was for a period of two years. Clarification was also provided with regard to the grading of staff. Councillor Mrs. Wheeler questioned whether there were plans to deliver an improved out of hours service. The Chief Finance Officer agreed there was a need to look at this issue with the Council's partners and there was a possible opportunity to deliver a service through Granville Court.

RESOLVED:-

- (1) That the Committee approves the proposed merger of the Contact Centre and Cash Office staff and associated salary gradings.***
- (2) That approval be given to the recruitment of a Business Analyst, using resources allocated through IEG funding.***
- (3) That the Committee confirms the appointment of the Customer Services Working Group to consider future development of this project and, in particular, improvements to the Reception Area.***

FM/36. **CORPORATE IMAGE**

It was reported that successful businesses devoted considerable resources into building a corporate image. It was important that local people were able to identify easily with the Council that served them. In essence, this involved having a recognisable logo that was displayed prominently on printed material and colours that were associated with the organisation. The use of standard typefaces to give a consistent approach and a house style for publications were also important. The existing District Council image was uncertain and a variety of logos were used on Council publications and signage. In some cases, no logo was displayed. This was considered confusing for local residents. The confusion was enhanced through the lack of standard typeface, no recognised corporate colours, no Council-wide format for publications or clear standards as to how and when different logos were to be used. In recent years there had been consolidation of the various

logos, with the Oak leaf used increasingly. The crest was used mainly for Members' Services and the Council's letterhead. A house style for publications was developing that followed the style used for the Council's Corporate Plan and CPA submission.

Officers had been working in consultation with the Customer Services Working Group, to look at how the Council could strengthen its existing image. The work focused on enhancing and consolidating existing Council logos, rather than developing a new one. Officers concentrated on how the Oak leaf logo could be developed, to become the prime Council logo and the main reasons for this were reported. An updated Oak leaf logo had been produced and if acceptable to Members, this could be used on all Council publications and the Council letterhead. Members were asked to consider whether they wished to adopt this logo for their correspondence or whether they wished to retain the Crest. To strengthen the image, it was proposed that no other logos be used in the future. It was further proposed to introduce a colour board, setting out the precise colours to be used for Council publications. A document had been circulated with the Agenda to show samples. It aimed to provide a complementary group of colours that could be used for all Council publications. It allowed variations, so that publications did not need to lose their impact. Moreover, there was a wide enough range to enable each Division to have a particular colour associated with its work.

Corporate guidelines were essential to ensure that the identity was maintained for future published material and signage. The guidelines related to the corporate logo, the typefaces and colour scheme used. It included stationary, leaflets and display advertisements, together with Powerpoint presentations and exhibition materials. If agreed, the changes could be phased with most introduced relatively quickly, with little additional cost. Signage might prove more expensive on Council vehicles and in the Civic Offices. However, the imminent replacement of some Council vehicles and improvements to the Reception Area provided an opportunity to address this at little extra cost.

The Leader questioned whether the public was confused over the logos used by the Council and he felt that the Council's name should be printed alongside any logo used. He questioned how many people would, for example, know the County Council's logo or those used by neighbouring local authorities. He felt that people related to the Crest and expressed a wish that this be kept for formal correspondence and that issued by Members. He commented on the proposed wording "at the Heart of the National Forest" and understood that East Staffordshire and North-West Leicestershire Councils used similar phrases. It was clear that detailed consideration had been given to the Council's corporate image, but he felt an opportunity had been missed by not involving Members. He questioned whether the determination of this matter could be delayed, to enable the Officer Group to liaise with Members.

Councillor Harrison also liked the traditional crest, which had been used for 30 years and depicted facets of South Derbyshire past life. However, crests were no longer fashionable and he was therefore supportive of the Officer proposals. He felt that the Oak leaf would have an impact and it should be used for all correspondence. He also wished to use the proposed phrase, provided it was not used by another local authority.

The Chief Finance Officer referred to the review of the Council's Senior Management structure. He explained the benefits of introducing the new corporate image at this time. Councillor Carroll commented that the Council's history was important and the Crest should be retained for formal documents. She reminded that a large proportion of the District was not included within the area covered by the National Forest. Councillor Nalty advised that it would take time for any new logo to become recognised by the public. In the meantime, the Council's name should be printed on all material. He referred to the logo used by Derbyshire County Council and felt that the Crest should be used for formal correspondence such as the Council Tax demand.

The Leader agreed with Councillor Carroll that a large proportion of the District was outside the area covered by the National Forest. He endorsed Councillor Nalty's comments and reiterated his view that the Crest should be retained for formal documents, those issued by Democratic Services and for Members' correspondence. He requested consultation with Members. As a compromise it was suggested that the matter be referred to the Council Meeting on 23rd September 2004.

RESOLVED:-

That the Committee defers the determination of this matter to enable consultation with Members and that a report be submitted to the Council Meeting on 23rd September 2004.

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 July 2004 were received.

RECRUITMENT AND SELECTION WORKING PANEL (Paragraph 1)

The Committee received the Exempt Minutes of Recruitment and Selection Working Panel Meetings held on 2nd and 4th August 2004.

ACCESS TO FOUL DRAIN ON COUNCIL-OWNED LAND AT BLACKSMITHS LANE, WOODVILLE (Paragraph 9)

The Committee authorised the use of General Fund resources to offset a waived a foul drain connection fee at the above location.

RENEWAL OF INSURANCE PREMIUMS 2004/05 (Paragraphs 8 and 9)

The Committee accepted a quotation to provide insurance cover for 2004/05.

REDUCTION OR REMISSION OF THE NON-DOMESTIC RATE (Paragraph 5)

The Committee approved an application for a reduction or remission of the Non-Domestic Rate.

CORPORATE TRAINING PLAN 2003/04 AND 2004/5 (Paragraph 1)

The Committee received an overview of training activities completed during 2003/04 and details of planned learning activities for 2004/05.

RESTRUCTURING THE BUILDING MAINTENANCE UNIT OF HOUSING SERVICES (Paragraphs 8 and 11)

The Committee approved proposals for the restructuring of the Building Maintenance Unit of Housing Services.

STAFFING IN THE BUILDING CONTROL SECTION (Paragraph 8)

The Committee approved the employment of an additional Building Control Surveyor.

CONSERVATION AREA APPRAISALS (Paragraphs 8 and 9)

The Committee accepted a tender for the above project.

P.J. WILKINS

CHAIR