



# AGENDA

For a meeting of the
<b>COUNCIL</b>
to be held on
<b>THURSDAY, 8 SEPTEMBER 2005</b>
at
<b>2.00 PM</b>
in the
<b>COUNCIL CHAMBER, COUNCIL OFFICES, ST. PETER'S HILL, GRANTHAM</b>
<b>Duncan Kerr, Chief Executive</b>

Members of the Council are invited to attend the above meeting to consider the items of business listed below.

- 1. Public Open Forum**  
The public open forum will commence at **2.00 p.m.** and the following formal business of the Council will commence at **2.30 p.m.** or whenever the public open forum ends, if earlier.
- 2. Apologies for Absence**
- 3. Declarations of Interest**  
Members are asked to declare any interests in matters for consideration at the meeting.
- 4. Minutes of the ordinary and extraordinary meetings held on 23rd June 2005.**  
(Enclosure)
- 5. Communications (including Chairman's Announcements)**  
(Enclosure)
- 6. Notice(s) of Motion given under Council Procedure Rule 12:  
By Councillor Don Fisher**

“That this Council gives all possible support to the people of Stamford in their fight to re-open the Hurst Ward of the hospital and retain all facilities at the hospital.”

7. **Changes to Portfolio Responsibilities - the Leader to advise the Council.**
8. **Outcome from Gateway review of Priorities: Monday 18th July 2005 - report number CEX294 by the Chief Executive on behalf of the Chairman, Councillor John Kirkman.**  
Report number CEX294 by the Chief Executive on behalf of the Chairman, Councillor John Kirkman. **(Enclosure)**
9. **Pest Control Service**  
Report number ENV272 by the Head of Environmental Health & Licensing. **(Enclosure)**
10. **Medium Term Financial Strategy and Budget Preparation**  
The Director of Finance and Strategic Resources to give a presentation.  
[A copy of his amended report number FIN239, the original of which was submitted to the Cabinet on 8<sup>th</sup> August 2005, is circulated for information.] **(Enclosure)**
11. **Review of Senior Management Structure**  
Report number CAB4 by the Leader.  
[A copy of the Chief Executive's report number CEX296 to the Cabinet on 5<sup>th</sup> September 2005 is re-circulated for information.] **(Enclosure)**
12. **Changes to the Constitution: Local Choice Function**  
Report number DLS45 by the Corporate Manager, Democratic & Legal Services. **(Enclosure)**
13. **Amendments to the Constitution: Delegation to Officers**  
Report number DLS43 by the Corporate Manager, Democratic & Legal Services. **(Enclosure)**
14. **Additional Members' Forum: Monday 17th October 2005**  
Report number CEX297 by the Chief Executive. **(Enclosure)**
15. **Representatives on Outside Bodies:**
  - (a) Earlesfield Community Centre;
  - (b) Earlesfield Youth Centre Management Committee

The Council to consider nominations to fill the vacancies on the above two bodies arising from the death of Councillor Neil Dexter.

16. **Questions without Discussion.**



# MINUTES

COUNCIL  
THURSDAY, 23 JUNE 2005  
2.30 PM

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## PRESENT

Councillor Kirkman Chairman

Councillor Auger  
Councillor Bisnauthsing  
Councillor Bryant  
Councillor Carpenter  
Councillor Mrs Cartwright  
Councillor Channell  
Councillor Chivers  
Councillor Conboy  
Councillor Craft  
Councillor Fines  
Councillor Fisher  
Councillor Gibbins  
Councillor Helyar  
Councillor Hewerdine  
Councillor Howard  
Councillor John Hurst  
Councillor Fereshteh Hurst  
Councillor Mrs Jalili  
Councillor Joynson  
Councillor Mrs Kaberry-Brown  
Councillor Kerr  
Councillor Lovelock M.B.E.

Councillor Moore  
Councillor Nadarajah  
Councillor Mrs Neal  
Councillor Nicholson  
Councillor Parkin  
Councillor Pease  
Councillor Mrs Percival  
Councillor Radley  
Councillor Sandall  
Councillor Selby  
Councillor John Smith  
Councillor Mrs Smith  
Councillor Stokes  
Councillor M Taylor  
Councillor G Taylor  
Councillor Thompson  
Councillor Turner  
Councillor Waterhouse  
Councillor Wilks  
Councillor Mrs Williams  
Councillor M Williams  
Councillor Mrs Woods

## OFFICERS

Chief Executive  
Director of Operational Services  
Corporate Manager Democratic & Legal  
Services  
Care Services Manager

## OFFICERS

ICT Unit Manager  
Member Services Manager  
Support Officer

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*Prior to the commencement of the meeting proper, a minute's silence was observed in respect of the late Councillor Neil Dexter.*

**37. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Mrs Bosworth, Burrows, Mrs Dexter, Mrs Gaffigan, Galbraith, Martin-Mayhew, O'Hare, Mrs Radley, Graham Wheat, Mrs Wheat and Wood.

**38. DECLARATIONS OF INTEREST**

There were none declared.

**39. MINUTES OF THE MEETING HELD ON 26TH MAY 2005**

The minutes of the meeting held on 26<sup>th</sup> May 2005 were confirmed as a correct record, subject to the following:

- Add Councillors Moore and Stokes to the list of those present.
- Include apologies for absence from Councillors Gibbins and Mrs Woods.
- Minute 29, page 25, paragraph 4: insert "if" between "that" and "this".
- Minute 31, page 29, paragraph 6 of the decision: delete "of the main opposition group (or any nomination of those persons)".

**40. COMMUNICATIONS (INCLUDING CHAIRMAN'S ANNOUNCEMENTS)**

The schedule of the Chairman's civic engagements for June 2005 previously circulated with the agenda was noted. The Chairman informed the Council of the Vice-Chairman's engagements during this period.

The Chairman read verbatim a letter received by the Chief Executive from Councillor Paul Morris. He had expressed his intention to resign as an elected member of South Kesteven District Council at the end of June 2005. As this letter had been received on 20<sup>th</sup> June 2005, it would be effective from that date and therefore Paul Morris was no longer a Councillor.

**41. IMPLEMENTING ELECTRONIC GOVERNMENT RETURN 4.5**

**DECISION: To approve the Implementing Electronic Government Return 4.5.**

The Portfolio Holder for Access and Engagement introduced report number DOS286 by the Director of Operational Services, which presented the IEG4.5 as reviewed by Cabinet, for submission to the Office of the Deputy Prime Minister. This was the first of a mid-term version which indicated that the Council may be performing better than first expected. He explained the status indicator system and the approach that had been undertaken, including thorough scrutiny by the relevant working group. The successful approach by the working group was acknowledged and approval of the document was proposed and seconded. On being put to the vote, this was carried.

## 42. ICT STRATEGY

**DECISION:** To approve and adopt as a key strategy document of the authority, the ICT Strategy for South Kesteven District Council.

The Information and Communication Technology (ICT) Strategy document, as appended to report DOS287 by the Director of Operational Services, was presented by the Portfolio Holder for Access and Engagement, who proposed its approval. He commented that various amendments had been made to the original draft strategy during the consultation process. The Council had not had an ICT Strategy before and the proposed document should be embraced as a strategy for where the Council is heading and how it should arrive there. This received a seconder. Brief discussion on ICT followed including the current position regarding IT for members and its contribution to efficiency gains and savings, which the Director of Operational Services clarified. On being put to the vote, acceptance of the strategy was carried.

## 43. PROTECTION OF VULNERABLE PEOPLE - POLICY AND PROCEDURES

**DECISION:**

- (1) To approve and adopt the document Protection of Vulnerable People – Policy & Procedures;**
- (2) To nominate the appropriate Portfolio Holder and Development & Scrutiny Panel Chairman to the Officer/Member Working Group;**
- (3) To note that the document is subject to amendment and review in line with changes in legislation and statutory guidance and that any amendments will be referred to Cabinet for approval;**
- (4) To note that the document is subject to development, amendment and review following ongoing consultation with the Lincolnshire County Council and other statutory and non-statutory agencies and partners; any amendments being subject to a report to the Cabinet for approval.**

On behalf of the Community Safety Portfolio Holder, the Leader presented report CSM14 by the Care Services Manager, which set out the Protection of Vulnerable People – Policy & Procedures document, as recommended by Cabinet. This had been subject to considerable consultation and was therefore proposed for adoption. The Leader nominated the Portfolio Holder and appropriate DSP Chairman to the working group recommended in the report. This received a seconder.

One member asked who would comprise the investigation panel for allegations against members of staff. The Care Services Manager stated that this had not yet been determined and may be considered by the working group in discussion with the Corporate Management Team. Other issues raised included the successful scrutiny undertaken by the Community DSP, the Council's broader responsibility to vulnerable people including children and especially children with disabilities, social services referral mechanisms, identifying the signs of abuse, public perception of rehabilitation methods and the need to ensure elderly persons confirmed their intentions in a will. One member urged

the Council to keep addressing and discussing the issues of abuse because it was a very wide area of concern. The Care Services Manager responded accordingly to the points raised.

The importance of this document and the issues it addressed were acknowledged by members and on being put to the vote, the proposal was carried.

**44. ISSUES FOR SOUTH KESTEVEN DISTRICT COUNCIL ARISING OUT OF A REVIEW OF THE CORPORATE GOVERNANCE REPORT ON LINCOLNSHIRE COUNTY COUNCIL**

**DECISION:**

- (1) That all groups make a clear statement of support and commitment to partnership working through the LSP;**
- (2) That the Chairs and Vice-Chairmanships of DSPs are appointed according to their suitability and merit in the opinion of the Leader;**
- (3) That the Chairman of the Standards Committee be invited to report to the Council on the extent to which he feels that the members of the authority understand and support the role of the Standards Committee and any proposals he may have for improving the work of the Standards Committee;**
- (4) That in view of the increasing importance of members' training, the Corporate Manager of Human Resources undertakes a review of the resources required to support a more comprehensive member training and development programme at South Kesteven using external expertise where appropriate;**
- (5) That the Constitution and Accounts Committee design an amendment to the Constitution so that with effect from the 1<sup>st</sup> May 2007, the desirable and essential competencies required of both Cabinet and DSP members are defined with all members being required to attend designated sessions for the essential competencies within twelve months of their appointment;**
- (6) That in the autumn of this year, staff of South Kesteven are asked to complete the survey used by the Audit Commission to inform the Corporate Governance report so that results can be compared;**
- (7) That the Council reaffirms its commitment to the concept of Local Area Assemblies and pledges to work with local people to make these meetings effective forums for wider community engagement;**
- (8) That under the Council's priority for vulnerable people, the Director of Community Services prepares a strategy for Social Inclusion by December 2005;**
- (9) That those members who may have concerns about the current system, or indeed a preference for the previous Committee system, consider how they will be able to demonstrate to an external assessor that these views have not deterred them from playing a full and active part in the Council's decision making and scrutiny process as set out in the constitution;**
- (10) That the Corporate Manager of Human Resources investigates the**

**level of compliance with the Council's policies regarding staff appraisals and the effectiveness of the appraisals that have been undertaken.**

The Leader presented report CEX293 by the Chief Executive, which set out recommendations from the Cabinet following referral at the previous Council meeting and scrutiny by the Resources DSP. In proposing acceptance of the ten recommendations presented in the report, the Leader proposed that recommendation 2 instead provide that the Leader be given authority to consider the merit and suitability of members for Chair and Vice-Chairmanships, rather than referring the consideration of such a selection procedure to the Constitution and Accounts Committee. This was seconded.

Debate ensued on whether or not it was within the best interests of the Council to allow solely the Leader the authority to determine the suitability of members. One member spoke at length in opposition to this amendment of recommendation 2; he suggested that British democracy had fought over many generations against patronage; there were no criteria for selection in this proposal; democracy, in relation to scrutiny, was about challenging the executive and Chairmen were of symbolic importance in this role. A number of other members spoke in support of this objection. It was suggested that criteria or a protocol could have been established for appointments; that there was too much potential for favouritism; if a private organisation operated in such a way, its performance would be failing; and the resources of members would not be utilised in the best way if the proposed was accepted.

In favour of the proposal and in relation to the points raised previously about democracy, a member of the administration commented that the electorate had voted their members into power. He added that Chairmanships had been offered to opposition members and therefore the administration could not rightly be accused of favouring their own members. Another member of the administration added that the proposal did not imply appointments would only be made within the controlling party. This was supported by the Leader who stipulated that the opposition's assumption that Chair and Vice-Chairmanships would not be offered to them was incorrect.

Suggesting that the proposal was contrary to the principles of democracy, a member proposed an amendment that the recommendations in the report be accepted as printed. This received a seconder and on being put to the vote, was lost. A further vote was taken on the original motion and this was carried following a vote.

#### **45. REVIEW OF SENIOR MANAGEMENT STRUCTURE**

**DECISION: The proposals for the review of the senior management structure be deferred in order to enable the financial implications to be reconsidered and then taken fully into account in the preparation of a revised Medium Term Financial Strategy for the district.**

The Leader addressed the Council stating that whilst in support of a senior

management restructure, she would not move the recommendations contained within report CAB2 by the Cabinet, but move to defer consideration of the matter. In so doing, she stated that the Council recognised that to achieve excellence, a management structure would be required to provide strategic leadership and operational management necessary to meet the evermore stringent tests of the Audit Commission and the expectation of customers. The significant and continuous change involved was also recognised. It was suggested that central government had consistently failed to match requirements for improvement with the financial flexibilities and resources needed by Councils to deliver. This received a seconder and following comments from a few members, a vote on the motion was carried.

#### **46. UNIVERSAL SUPERLOOS**

**DECISION: That a termination cost be budgeted for in respect of early surrender of the universal superloos Agreement for the financial year 2006/07. This figure be calculated in accordance with the Agreement formula and will not exceed £150,000.**

The Economic Development Portfolio Holder presented report CAB3 by the Cabinet, which recommended the termination of the universal superloos Agreement for the provision of two units in Stamford. This was the opportune time to terminate the agreement and it was therefore proposed and seconded that the recommendation in the report be approved. This was met with agreement by members. The Chairman of the Healthy Environment DSP, which had recommended to Cabinet that the agreement be terminated, spoke in support of the proposal. A local member, although supporting the proposal, remained concerned that tourism may suffer as a result of no toilet provision in the east of the town. The Portfolio Holder reminded members of the Council policy to provide only one attended toilet in each of the main towns in the district. On being put to the vote, the proposal was carried.

#### **47. CHANGE TO THE TITLE, REMIT AND CONSTITUTION OF THE CHANGE MANAGEMENT ACTION PLAN MONITORING GROUP**

**DECISION: To approve the following changes to the Change Management Action Plan Monitoring Group:**

- (1) The Monitoring Group be renamed the Performance Board;**
- (2) The Performance Board's remit to be "to provide an external perspective to advise the Council on how it can improve its performance for the benefit of the community";**
- (3) The membership of the Performance Board to comprise the three existing non-local authority members, a partner to be invited from Price Waterhouse Cooper, the Leader of the Conservative Group and Councillor Kirkman.**

The Chairman welcomed the former Councillor Philip Doughty to the meeting, who was now the Chairman of the Change Management Action Plan Monitoring Group, and who had contributed to the Members' Forum earlier in

the day. The Leader also welcomed Mr Doughty to the meeting and suggested that from the success of the Forum, the Council could appreciate better the value of the Monitoring Group. She presented report number CEX292 by the Chief Executive and proposed acceptance of the recommendations to change the title, remit and constitution of the Group. She nominated the leader of the conservative group and Councillor Kirkman for the member positions on the Group. This was seconded.

The leader of the labour group asked for an explanation as to why the recommendation in the report concerning his nomination to the Group had been changed. Members suggested various alternatives to the nominations, mainly through concern that it should be politically balanced and should reflect the potential change in political balance. The Leader advised the Council that the amendment to the recommendation had been made according to the wishes of the administration group. On being put to the vote, the proposal was carried.

#### **48. REPRESENTATION ON OUTSIDE BODIES - LINCOLNSHIRE ENTERPRISE**

**DECISION: That the Leader of the Council be appointed as South Kesteven's nomination for the Local Government Association representation member of Lincolnshire Enterprise.**

Report number DRS18 by the Director of Regulatory Services was presented by the Chief Executive. The Leader of the Council was nominated for the vacant position and this was seconded. A matter raised by a member concerning insurance was clarified and on being put to the vote, the proposal was carried

#### **49. QUESTIONS WITHOUT DISCUSSION**

One question without discussion had been submitted prior to the meeting.

Verbatim details of the question, together with its supplementary question and response, are set out in the appendix to the minutes.

#### **50. CLOSE OF MEETING**

The meeting closed at 4.12p.m.

## APPENDIX TO COUNCIL MINUTES: 23<sup>rd</sup> JUNE 2005

### MINUTE 49: QUESTIONS WITHOUT DISCUSSION

#### Question 1 (Councillor Teri Bryant)

Madame Leader,

Thank you for responding to my 2 questions without discussion in my absence at the last council meeting. You will remember that these questions were about what appeared to me to be members' inappropriate behaviour.

I read the minutes of the meeting carefully and I see that you responded fully to calls for the housing portfolio member's resignation and that even though discussed in depth, no motion was brought to the council for any form of censure. Is it true that following today's meeting an extraordinary meeting of the full Council has been called to address the self same subject?

#### Response: Councillor Mrs Neal

Unfortunately, yes

#### Supplementary Question: Councillor Bryant

Does this additional meeting, called by five Councillors, of whom only two are here at the moment, not incur vast amounts of officer time, material, postage and additional members' expenses, to address the self same issues, and could therefore these expenses, when identified, not be apportioned against the members who called for this apparently superfluous meeting? Precedence for this type of charging has been set nationally as well as locally with the charging of a fee (we could talk about high hedges – yet more the government has imposed on us). Will these charges be identified and apportioned to the people complaining?

#### Response: Councillor Mrs Neal

I do not believe that this is something I have the ability to answer. I do believe that it is possible but that is something that, even if I was minded to agree with, would have to be looked into from my personal point of view. I genuinely do not know the answer to that. You talked about wasting money and I acknowledge that there is the cost of postage etc, but would congratulate the Chairman for calling the meeting immediately after this one in order to save as much of the cost as we could.



# MINUTES

COUNCIL  
THURSDAY, 23 JUNE 2005  
4.12P.M.

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## PRESENT

Councillor Kirkman Chairman

Councillor Auger  
Councillor Bisnauthsing  
Councillor Bryant  
Councillor Carpenter  
Councillor Mrs Cartwright  
Councillor Channell  
Councillor Chivers  
Councillor Conboy  
Councillor Craft  
Councillor Fines  
Councillor Fisher  
Councillor Gibbins  
Councillor Helyar  
Councillor Hewerdine  
Councillor Howard  
Councillor John Hurst  
Councillor Fereshteh Hurst  
Councillor Mrs Jalili  
Councillor Joynson  
Councillor Mrs Kaberry-Brown  
Councillor Kerr  
Councillor Lovelock M.B.E.

Councillor Moore  
Councillor Nadarajah  
Councillor Mrs Neal  
Councillor Nicholson  
Councillor Parkin  
Councillor Pease  
Councillor Mrs Percival  
Councillor Radley  
Councillor Sandall  
Councillor Selby  
Councillor Smith  
Councillor Mrs Smith  
Councillor Stokes  
Councillor M Taylor  
Councillor G Taylor  
Councillor Thompson  
Councillor Turner  
Councillor Waterhouse  
Councillor Wilks  
Councillor Mrs Williams  
Councillor M Williams  
Councillor Mrs Woods

## OFFICERS

Chief Executive  
Solicitor to the Council  
Member Services Manager  
Support Officer

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## 51. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Mrs Bosworth, Burrows, Mrs Dexter, Mrs Gaffigan, Galbraith, Martin-Mayhew, O'Hare, Mrs Radley, Graham Wheat, Mrs Wheat and Wood.

**52. DECLARATIONS OF INTEREST**

There were none declared.

**53. MOTION SUBMITTED BY COUNCILLORS GALBRAITH, JOHN HURST, O'HARE, MIKE WILLIAMS AND WOOD**

The following motion had been submitted by Councillors Galbraith, John Hurst, O'Hare, Mike Williams and Wood:

"This Council requires the resignation of Councillor Martin-Mayhew (the Housing portfolio holder) from the Cabinet for the following reasons:

- (i) Democracy is about accountability and, if found seriously deficient in undertaking the duties of responsible positions (as is clearly the case in the light of the recent Audit Commission Report on the housing policies and practices of SKDC), any member must surrender his/her post.
- (ii) There can be no confidence in the implementation of any Improvement Programme if executive responsibility for its execution is in the hands of a Member who has forfeited the confidence of the Council and the wider Community."

Councillor Hurst stated that he had consulted with the Chief Executive earlier in the day, having been imparted with information regarding Councillor Martin-Mayhew, and those present who had moved the above motion decided to defer the motion in light of this information and to respect the principle that no member should be criticised in such a way if they were not present to defend themselves. He asked that the motion be considered at the earliest possible date. The Chief Executive advised that it was not possible to defer a motion but that any five members could submit a motion at any time for an extraordinary meeting or submit a motion for consideration at an ordinary meeting. The Chairman added that, given the costs involved in organising such a meeting, he had no intention of calling an extraordinary meeting to consider such a matter on a different day to an ordinary meeting of the Council.

**54. CLOSE OF MEETING**

The meeting closed at 4.16p.m.

**SOUTH KESTEVEN DISTRICT COUNCIL**  
**CHAIRMAN'S CIVIC ENGAGEMENTS**  
**JULY AND AUGUST 2005**

<u>Date</u>	<u>Event</u>	<u>Location</u>	<u>Transport arrangements</u>
1 Jul	Agricultural College Lincoln, Awards Ceremony	Lincolnshire Showground	Own
3 Jul	N.E. Lincs Civic Service	Grimsby	Own
5 Jul	Rotary Club Dinner	Bourne	Own
6 Jul	Black Sluice Draining Board Inspection	Tour	Own
7 Jul	Welland & Deepings Drainage Board	Tour	Own
10 Jul	VE/VJ Service LCC Civic Service Ann.Concert – Lincs Fire and Rescue Band	Lincoln Cathedral Lincoln Cathedral Lincoln	Chauffeur
10 Jul	<i><u>Vice Chairman</u></i> <i>VE/VJ Concert</i>	<i>Lincoln</i>	<i>Own</i>
13 Jul	Upper Witham Drainage Board	Tour	Own
17 Jul	West Lindsey Civic Service	Upton, Nr. Gainsborough	Chauffeur
17 Jul	<i><u>Vice Chairman</u></i> <i>Stamford Civic Service</i>	<i>Stamford</i>	<i>Own</i>
21 Jul	Royal Garden Party	London	Chauffeur
28 Jul	Preview Flower Evening	Lincoln Cathedral	Chauffeur
10 Aug	Summer Playscheme Visits	South Kesteven District	Chauffeur
12 Aug	Midsummer Nights Dream Production	South Holland District Council, Ayscoughfee Gardens, Spalding	Chauffeur
14 Aug	Harlaxton Carnival	Sports & Social Club, Harlaxton	Chauffeur
27 Aug & 28 Aug	British National Championships, British Model Flying Association	RAF Barkston Heath	Own

# REPORT TO COUNCIL

**REPORT OF:** Chief Executive on behalf Cllr John Kirkman

**REPORT NO.** CEX294

**DATE:** 8th September 2005

<b>TITLE:</b>	<b>Outcome from Gateway Review of Priorities – Monday 18th July 2005</b>
<b>FORWARD PLAN ITEM:</b>	<b>Yes</b>
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	<b>May 2004</b>
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	<b>Yes</b>

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	<b>All</b>
<b>CORPORATE PRIORITY:</b>	<b>All</b>
<b>BACKGROUND PAPERS:</b>	<b>Previous Reports to Council</b>

Background

1. A panel comprising the Cabinet along with the Chairman and Vice-Chairman of the five DSPs met to undertake a full review of the Council's progress in achieving the Category A and B priorities approved by Council last year and in realising the savings targets set from category Z services. The meeting was chaired by the Cllr John Kirkman who asked me to prepare this report to Council on his behalf.

This work was undertaken by posing three key questions for each major priority:

1. Do we have a good understanding of the problem?
2. Is there a robust and resourced action plan?

3. Is there early evidence that the outcomes in the plan are being achieved?
2. Consideration of the response to each of these questions led the review team to make an overall assessment for that priority. The results of these assessments are detailed below:

### **Green light Priorities which passed the Gateway review**

<b>Priority</b>	<b>Service</b>
A	Access*
A	Recycling
A	Street Scene
B	Affordable housing
B	Business Development
B	Diversity
B	Housing Management*
B	Planning and Development Control*
B	Vulnerable Persons*

### **Amber light priorities, which passed the gateway, review but with a warning being issued.**

<b>Priority</b>	<b>Service</b>	<b>Reason for Warning and Actions</b>
A	Crime and ASB	Action plan has been drafted but not yet approved. Plan to be approved by October.
A	Town-centre development	Action plan is currently a consultative draft, final plan to be approved by November
B	Communications*	Majority view that this priority may be more important and complex than originally envisaged. To refer to Engagement DSP to re-assess importance of communications and how resources allocated in the communications strategy should be deployed.

### **Red light priorities which failed the review**

<b>Priority</b>	<b>Service</b>	<b>Reason</b>	<b>Action</b>
B	LSP + Community Strategy*	Insufficient evidence that the required outcomes have been achieved.	To review in six months time
B	Public Toilets	Lack of progress in Grantham	To review in six months time

### **Realisation of savings in non-priority areas**

3. The review team considered the progress of the Council in securing the targeted savings from category Z services. Although some concern was raised in regard to the first quarter results for pest control and the implications of reducing eligibility for discretionary rate relief, it was determined that there was sufficient progress to give a green light.

## Minority Views

4. Although the majority of the assessments were unanimous there were some assessments on a majority basis. These are marked \* and the additional actions reflecting these minority concerns are detailed below:

Priority and Outcome	Issue	Proposed Action
Access (A) Green	Some members not on the appropriate DSP do not feel that the problem or the actions being taken have been fully explained to them.	It was recognised that the member training and development programme will help, however the Access team will also consider better ways of communicating with these members.
Communications (B) Amber	Several members felt this should receive a green rather than an amber light.	
Housing Management (B) Green	A minority view was for an amber light based on the lack of objective data regarding progress.	To review the appropriateness of the targets set.
LSP and Community Strategy (B) Red	A minority view was for an amber light reflecting recent progress	
Vulnerable Persons	A minority view was for an amber light reflecting concern over whether the scoping was robust.	To review the scoping of this priority.

## Budgetary Implications arising from the Gateway Review

5. The gateway review was conducted at this time in the Council's calendar so that it could inform the budget preparation cycle.

Resources were perceived as a major issue in progressing the Council's priority for Communications. The Corporate Director for Community Services has therefore been asked to prepare a Service Plan, which includes measures to improve our performance on communications beyond those detailed in the current Communications Strategy.

The issue that resulted in the award of the other two amber lights and the two red lights were primarily due to the limitations on the managerial capacity of the organisation. This can be resolved by either some form of re-structuring and/or a reduction in the number of priorities or an increase in the number of non-priorities.

6. In the afternoon the review team considered the options available to the Council if, in the next budget round, the resources of the authority are not sufficient to enable the authority to deliver both its statutory obligations and the communities priorities. As part of this the team reviewed the lowest scoring services within Category Y, where attention would need to be focussed if the required savings could not be met by efficiency gains alone.

### **Recommendation**

7. That the Council approve the outcome of the gateway review of priorities and the consequential actions as set out in this report.

Duncan Kerr,  
Chief Executive

On behalf of Cllr John Kirkman, Chairman of the Council

## REPORT TO COUNCIL

**REPORT OF:**                    **Head of Environmental Health and Licensing**

**REPORT NO.**                    **ENV272**

**DATE:**                         **22 August 2005**

<b>TITLE:</b>	PEST CONTROL SERVICE
<b>FORWARD PLAN ITEM:</b>	N/A
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	N/A
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	POLICY FRAMEWORK AGREEMENT

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Cllr R Auger Healthy Environment
<b>CORPORATE PRIORITY:</b>	Z
<b>CRIME AND DISORDER IMPLICATIONS:</b>	None
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	None
<b>BACKGROUND PAPERS:</b>	Pest control contract

## **1. INTRODUCTION**

The Council has a pest control contract with Pest Express Limited. This is a fixed price contract (subject to annual inflation) between 1/4/2004 and 31/3/2008. In April 2005, following the examination of Council priorities, charges were introduced for pest control treatments with the aim of breaking even. For the first quarter of the financial year the service has made a loss. The service remains 'at risk' and it is likely that a loss will be reported at the year-end.

Discussions have been held with the contractor with a view to reducing these losses. This report outlines the discussions and options for the Council.

## **2. RECOMMENDATIONS**

- (1) That the Head of Environmental Health and Licensing, in conjunction with the Council's Solicitor, be authorised to negotiate and effect a one off payment to the contractor in order to revise the remaining period of the pest control contract at a sum not exceeding £50,000, plus legal costs, effective as soon as possible.
- (2) That the Council approve a revised budget for this amount.

## **3. DETAILS OF REPORT**

The introduction of a charging scheme to an existing free service was anticipated to have an initial impact on the uptake of this service; however there has been a marked reduction in the number of requests for pest control service since charges were introduced in April. Other factors have also played a part, including adverse publicity and cold weather. Surrounding Councils have been contacted and a general decrease in requests for service for pest control has been noted. The contractor reports 'steady' business in other areas, both with and without charging regimes. It is possible that things will settle down when customers realise that the contract price is considerably lower than the open market price.

One important factor has been the lack of reported wasps during July. In 2004 there were 476 requests whereas in 2005 there have been only 70. This shortfall alone has had a considerable impact on income.

In April, we negotiated with the contractor and a new clause within the contract has been agreed, although this is not yet formally signed. This has the effect of reducing payments to the contractor if the number of requests reduces.

This is subject to review at the end of each quarter and a low threshold of £60,000 per annum (current contract price is £71,329, paid monthly). We have additionally expanded the service to offer pest control treatment for a

wider range of pests and for commercial properties. Press releases and advertising flyers have been prepared.

The total annual cost for the service, including administration and 'on' costs, is £113,120. Income for the first three months has averaged at around £2,100. With the contract adjustment applied, the service is likely to show a shortfall of approximately £77,000 for 2005/6. Any increase in requests for service, hence any income will reduce this figure, so this should be seen as a worse case scenario. A worse case scenario for the remainder of the contract would indicate a possible loss of £231,000.

The contractor has indicated that a figure of £50,000 (plus legal costs) would be required to effect a change to the contract. The contractor would take over the provision of the whole service, including administration and collection of charges, the contractor would keep the income raised and hence would become an appointed pest control contractor for the remainder of the contract period. The contractor has indicated that he would reduce the charges to the public (see Appendix I). The maximum loss to the Council for the remainder of the contract period would therefore be fixed.

#### **4. OTHER OPTIONS CONSIDERED AND ASSESSED**

- (1) The Council could increase charges for the service. The current charges have had a dramatic effect on take up of the service so the take up would potentially drop further.
- (2) We could continue to advertise and monitor the situation. With the evidence currently available, the income is not likely to rise significantly in the near future. Any income received will contribute towards the cost of the service, but it is unlikely that this will achieve the objective, which is to break even.
- (3) We could terminate the contract and not offer any service. We will still have to pay the contractor the full contract price.

#### **5. COMMENTS OF DIRECTOR OF FINANCE AND STRATEGIC RESOURCES**

The Council objective was for the Pest Control Service to break even on a full cost recovery base. This will not be achievable in the current financial year. It would be a sensible time to make a decision on the future viability of the service. This will need to include the other costs incurred as part of the service, not just the contract costs. These have been referred to in the Corporate Director of Performance Managers comments.

**6. COMMENTS OF CORPORATE MANAGER, DEMOCRATIC AND LEGAL SERVICES (MONITORING OFFICER)**

A variation of the contract will be by mutual agreement between the contractor and the Council.

**7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

The Corporate Director of Performance Management advises that considerable effort has been undertaken to prepare this service for inclusion in the first stage of the Contact Centre. In addition, adjustments will need to be made if this service is cancelled as staffing calculations have included the staff needed to provide this service within the contact centre.

**8. CONCLUSIONS**

If the uptake of the service continues at current levels, then the option of a 'one off' payment will be the cheapest option over the remaining period of the contract. This will also effect a reduction in the cost of the service to the public.

**9. CONTACT OFFICER**

R Hadfield Head of Environmental Health and Licensing  
Tel: 01476 406306 e-mail: b.hadfield@southkesteven.gov.uk

## APPENDIX 1

<b>Pest Type</b>	<b>Current Charge</b>	<b>New Charge</b>
Rats (3 visits)	£38.78	£33
Mice (3 visits)	£50.53	£33
Domestic insect pests (eg ants, wasps, bed bugs)	£50.53	£47
Other pests	Free survey and quotation	Free survey and quotation

NB All fees include VAT

# REPORT TO COUNCIL

**REPORT OF:** Director of Finance and Strategic Resources

**REPORT NO:** FIN239 as amended

**DATE:** 8 September 2005

<b>TITLE:</b>	<b>Medium Term Financial Strategy And Budget Preparation 2006/07</b>
<b>FORWARD PLAN ITEM:</b>	<b>Yes</b>
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	<b>16 June 2005</b>
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	<b>Future Policy Framework Proposal</b>
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	<b>Finance Portfolio Corporate Governance</b>
<b>CRIME AND DISORDER IMPLICATIONS:</b>	<b>N/A</b>
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	<b>N/A</b>
<b>BACKGROUND PAPERS:</b>	<b>Report FIN241 to Cabinet 25th July 2005</b>

## Recommendations

1. To recommend the adaptation of the financial strategy as outlined in the report.
2. To prepare a response to the ODPM consultation document on Formula Grant Distribution for 2006/2007.
3. To adopt the approach to budget development for 2006/2007 and value for money framework outlined in the report.
4. To implement an effective budget consultation strategy for 2006/2007.
5. To review the purpose and amounts of reserves held.
6. To develop detailed options appraisal analysis of the impact of stock transfer on the General Fund.
7. To develop options for Council Tax setting for future years.

## Introduction

1. The purpose of this report is to consider the updated Medium Term Financial Strategy (MTFS) for the period 2006/07 to 2010/11 and to examine the main influences on the budget preparation for 2006/07 and consider any changes necessary during 2005/06.
2. It reviews
  - (i) the issues raised in the MTFS presented in October 2004 and their subsequent impact on the 2005/06 budget.
  - (ii) the position on reserves and balances.
  - (iii) the financial strategies and their appropriateness.
  - (iv) the main budgetary issues for 2005/06 and 2006/07.

## Background

3. In preparing the existing MTFS the following were the main issues facing the Council.
  - (a) constrained financial settlement from the government, with limited ability to increase Council Tax.
  - (b) impact of job evaluation.
  - (c) protecting against the impact of significant rises in employers' pension contributions.
  - (d) the bringing in-house of waste management.
  - (e) analysis of areas of cost rising at faster rates than general inflation - pay award and insurance premiums.
  - (f) acceptance of limited capital programme.
  - (g) the resourcing of priorities, finding savings and delivering efficiencies.
4. Over the past year the Council has made progress in all the above areas. In particular the financial management of job evaluation, forward financing of the likely impact of expected rises in employers' pension contributions, tight cost control of the waste management function, development of sophisticated risk management strategy to help reduce insurance premiums, and the development of the capital programme to reflect Council priorities. The above was all achieved within a 4.95% rise in Council Tax and did not attract capping from the government.

## Financial Strategies

5. In developing the likely expenditure/income profile it is important to have regard to the current financial strategies as approved by the Council.
- 5.1 **Strategy No. 1 - That the Council must be prudent in making estimates of external funding from the Government.**
- 5.2 In 2003/04 the methodology changes to the formula for grant distribution benefited the Council. In 2004/05 further changes to the grant system caused further difficulties in assessing the grant settlement, in particular the switch in funding source for housing benefit administrative grant from the Office of the Deputy Prime Minister (ODPM) to the Department of Work and Pensions (DWP). On a like for like basis the general level of grant received was a 2.3% increase this being below the rate of general inflation. For 2005/06 the formula was more consistent than the previous 2 years, although the capping criteria was harsher.

5.3 Assessment of future levels of government grant is always difficult. The main indicator comes from the Spending Review 2004, where the Treasury publishes its spending plans for the period 2004/05 to 2007/08. The Treasury expects to see the Environmental Protection and Cultural Services (EPCS) block increase by 8% over that period. The table below puts that in perspective. The APSS block is the lowest increase for planned expenditure other than highway maintenance. This gives a clear message about the importance (or otherwise) of the services District Councils provide. Given the complexities of the grant distribution system and relative impact of headline census data I believe an annual figure of a 1% increase on a like for like basis is a prudent basis for financial planning.

	2004-5	2005-06	2006-07	2007-08	Change 2007-08 2004/05 %
	£m	£m	£m	£m	
FSS:					
Education	26402	27963	29863	31663	19.9%
Children's Social Services	3737	4016	4316	4516	20.8%
Adults Social Services	8690	9553	9933	10373	19.4%
Police	4355	4553	4768	4993	14.6%
Fire	1848	1898	1961	2035	10.1%
Highways Maintenance	2004	2054	2054	2054	2.5%
EPCS	11152	11217	11606	12040	8.0%
Capital Financial Costs	2802	3269	3599	3924	40.0%
Total	60990	64522	68099	71597	17.4%

5.4 In report FIN241 presented to Cabinet on 25th July, I reported on the key elements of the Missing Millions Campaign, Formula Grant Distribution and Business Rate Incentive Scheme. Since the Treasury has postponed the spending review by one year, it is likely the quantum of grant money will be largely unaffected from 2006/06 and the levels of general grant restricted. This ultimately means the interest receipts in the General Fund will be required to underpin the base level of revenue expenditure.

5.5 In terms of the impact the government has on the level of Council Tax and increase thereof, is dealt with under Strategy No. 8.

5.6 **Strategy No. 2 - The Council should continue to review all of its services in relation to its corporate objectives.**

5.7 The work carried out over the past year has been of vital importance in ensuring resources will follow priorities. This is a key issue identified by the CPA assessment and forms a key component of the Change Management Plan. The issue for medium term financial planning is to be able to release resources that have been secured from elsewhere.

**5.8 Strategy No. 3 - Ensure that following approval of the budget, those officers responsible for delivering the associated work programmes deliver the outputs within the approved allocation.**

5.9 This is achieved through comprehensive budget monitoring and adherence to the Council's approved financial regulations. Historically the strong control of corporate budgets has allowed the Council to be flexible in its approach to budget monitoring and delivery of new services. To further strengthen the current process, the service planning process will be aligned more closely to the budget process, with increased information being available to service managers regarding their service costs.

The early part of 2005/06 has been characterised by requests for additional funding, either by supplementary estimate or by virement. This is a departure from previous years and means action for 2006/07 and beyond must resolve this issue. In preparing for 2006/07, the budget process has begun at an earlier date. Proformas have been sent to Service Managers to link in with the Medium Term Financial Strategy development. The value for money assessment to be conducted under the 'Use of Resources' Judgement requires Services to be benchmarked against other Authorities' relevant service performance. It is therefore important that Service Managers take a medium term view of their service, bid for the appropriate realistic level of funding and operate within an approved allocation.

5.10 A briefing has been given to the Cabinet and Resources DSP on the value for money approach outlined in the Audit Commission's 'Use of Resources' documentation. The Council has always striven to deliver value for money services and must show evidence of the achievement. This will be done through the self-assessment process. Value for money needs to be embodied into the Service Plan development and owned corporately by staff and members.

**5.11 Strategy No. 4 - The Council must continue to find new sources of funding for its activity.**

5.12 Government funding continues to be 'top-sliced' for specific projects. If the specific schemes link with the Council's priorities then bids should be submitted. The secured use of S106 agreements help to develop community assets with less reliance upon the Council's own resources. The recent bid for recycling from DEFRA is a good example of additional external funding for an identified Council priority.

Further examples include the receipt of Planning Delivery grant, useful for funding one-off initiatives and the Public Service Agreement (PSA) (Round 2) bid with the County Council where the District Council may receive performance reward grant if it can demonstrate achieving 'stretch' targets in line with the PSA. It is hoped that Service Managers will have built the achievement of these targets into their service plans. The medium term financial issues arising from additional funding streams are

- (a) if commitments are made that extend past the period or amount of grant funding what is the exit strategy for the service?
- (b) or Service Manager need to integrate various funding streams into their programme delivery and (i) be clear about the use and timespan of that funding, and (ii) be clear about the outputs required as a result of receiving that funding.

**5.13 Strategy No. 5 - Optimising the financial return on the Council's assets and ensuring capital receipts are at required levels.**

It is important that the Council commits to reviewing its asset base and the returns upon them.

The Council's Asset Management Plan (AMP) should be the core document identifying those assets either not being fully utilised or those that are surplus to requirements. The Property Performance Management Group has operational responsibilities for evaluating any issues arising from the AMP and feeding them back to the Corporate Management Team and the Cabinet.

**5.14 Strategy No. 6 - To improve Treasury Management performance.**

**The addition of the prudential code on borrowing has given the Council more freedom in managing its debt in relation to the capital programme. The current flexible approach to debt redemption and borrowing should be maintained. In terms of investment performance regular reports will be presented to the Constitutional and Accounts Committee.**

This will be an important element within the value for money assessment. The Council has been repaying debts for a number of years and is left with a low level of debt but at 'relatively' high interest rates. If this is repaid early the Council will pay a premium for doing so, hence the current policy of repaying on maturity.

Given a requirement to have an enhanced capital programme the Prudential Code will be used to ensure the decisions made with regard to borrowing reflect affordability, sustainability and value for money. This will involve consideration of the following issues

- (a) Balancing investment income against new borrowing, ie may be cheaper to bring back investments to fund new capital expenditures
- (b) Leasing versus Buying Outright
- (c) Ensuring that the balance of investment between General Fund and Housing Revenue Account is well defined taking into account the impact of changes to debt and investment structure on both funds. This is particularly relevant to the proposals on stock option appraisal.

**5.15 Strategy No. 7 - To annually review the scale of charges for Council services.**

**New levels of charge often result from normal inflationary increases, statutory review of charges, best value service reviews or from new services being delivered. During budget development, the balance between who pays for local services, the user or taxpayer, needs to be reviewed.**

**5.16 Strategy No. 8 - The policy on Council Tax increases is that any increase should aim to be equal to the change in the retail price index. Any increase above this should include any identification of particular service objectives that the additional tax revenue would be used to finance.**

5.17 This is an important area to be considered. During the budget preparation for 2004/05 the wide public consultation on priorities was coupled with discussion on future years' Council Tax increases. Feedback indicated that reasonable increases in Council Tax are acceptable providing service improvements are visible. The 2005/06 budget consultation gave a similar conclusion. Value for money was a key issue for consultees.

5.18 It is proposed to carry out budget consultation for 2006/07 through (a) joint public meeting with Police and County Council, (b) LAA, (c) through a budget survey with options being given. The latter item can target upon the spend, save and efficiency agenda items previously discussed.

**5.19 Strategy No. 9 - All potential capital schemes are appraised and fed into the capital strategy.**

The Council approved the appraisal process in 2003/04 and a revised programme in 2004/05. This has been and will continue to be incorporated into the medium term strategy and an updated programme for 2005/06, and beyond. The process must be flexible to deal with emerging or urgent schemes.

**5.20 Strategy No. 10 - To maximise the financial viability of the Housing Revenue Account (HRA) within government guidelines.**

The production of the 30 year business plan for the Housing Revenue Account as part of the stock option appraisal process has enabled full financial assessment of the HRA.

The only consideration in this report is the impact on the General Fund of a successful/unsuccessful ballot.

**Estimated Budget Requirements - 2005/06 to 2009/2010**

6. Given the national position on Revenue Support Grant and likely allowable Council Tax increases the following table presents the likely budget requirement for SKDC over the next 6 years. It includes Special Expense Area expenditure, since this forms part of the Council's expenditure.

Profile of External Financing 2004/05 to 2009/10

	2004/05 £000	2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000
Government Grant	7965	8368	8451	8535	8620	8706	8793
Council Tax - General Income	4115	4374	4592	4821	5062	5315	5580
Council Tax Income - SEA - collection fund	471	550	550	550	550	550	550
SKDC Budget Requirement	12551	13292	13593	13906	14232	14572	14923
Allowable Growth in Net Spend	-	-	301	313	326	339	351
Increase %			2.3	2.3	2.3	2.4	2.4

Assumptions

- (i) Government Grant increase - 1% per year
- (ii) Tax Base inc - 1% increase p.a. - no assessment of the impact of Council Tax Valuation.
- (iii) Council Tax - 4% increase p.a.

Impact on Financing of Services on Budget Requirement

7. Starting Position - 2004/05 Outturn

The final position for 2004/05 is now available. This shows:

- (a) an underspend at panel level of £573,000 against the revised position. This needs to be analysed to establish whether (i) commitments have been made but not spent, (ii) additional income received, (iii) poor budget management.
- (b) Interest receipts are over £1m for 2004/05. This is a direct result of limited capital programme, general underspending and a rise in interest rates over the year.
- (c) The General Fund Reserve has been increased to £3.3m, with a £1m specific reserve set up to cover the one-off costs of the Stock Option ballot.

The approval of service plans and budget development for 2006/07 need to ensure that the base budget approved for 2005/06 is being utilized properly and spending should be close to that budgeted. Otherwise there is a danger that increases in budget in priority areas will not take place because of 'hidden' budget capacity elsewhere.

It is proposed to review all of the specific reserves held and their appropriate levels as part of budget setting for 2006/07. I recommend a planned approach to their use, linking the fall in interest receipts likely to occur, with the revenue efficiency agenda. In particular, the use of the Minimum Revenue Provision (MRP) reserve, Building Control Reserve and Insurance Reserve need to be reviewed for appropriateness.

7.1 What does this mean for Revenue costs

**7.2 These estimated budget requirements will need to deliver the resources for stepped improvements in the priority areas. The table at Appendix I provides an initial assessment of the impact of growth areas, efficiency savings and known liabilities, at this early part of the year 2005/06. The figures within the table are broad estimates that need to be worked into detailed estimates, when service plans have been received from Service Managers. An update on this table will be given at the meeting. This is very much work in progress identifying the likely spending scenarios over the coming years. A commentary on the key issues follows below.**

7.3 The model assumes that the identification of costs associated with the non-priority services will be realised. If the savings are not realised the budget requirements will remain higher than desired. Current analysis indicates that the savings identified for 2005/06 have been delivered and therefore reflected in the budget requirement. The targets for 2006/07 will be much harder to achieve, and the commitment to achieving them needs reviewing. The position of Pest Control full cost recovery for 2005/06 will be difficult to achieve.

7.4 Gershon Efficiency Savings - the model only focuses upon the cashable savings – i.e. those that impact upon service delivery and real costs. I have assumed that the Authority will re-invest cashable efficiency savings when they have proved they have been achieved. Thus the model shows efficiency savings accruing in one year and re-invested in the next financial year.

7.5 The proposed re-organisation costs were £300,000 per annum. These would accrue from 1 April 2006. Nothing has been assumed for additional support for the three Strategic Directors.

7.6 It would be sensible to allow an increase in budget to deal with the Capacity issues facing the Council if it is not to slide back relative to other Councils. This is necessary if the requirement of the Use of Resource Statement and CPA - The Harder Test are to be achieved.

7.7 The impact of stock transfer is crucial to the Medium Term Financial Strategy. If transfer went ahead in 2007/08, the projected capital receipt is £32m. Interest receipts of £1m per annum may accrue on the retained portion. The Council would need to watch the markets carefully because any downward movement in interest rates would have a big impact on the bottom line. It would be a good exercise to analyse the purposes to which the receipt could be put, whilst retaining a minimum proportion to support the revenue account.

If stock transfer does not go ahead:

- (a) the cost of preparation for ballot etc would be a charge on the General Fund.  
Estimate £1,000,000 (one-off cost)

(b) the separate identity/location of Housing Services means costs currently allocated from the Corporate Centre in terms of management and accommodation would fall back upon the General Fund. Estimate £250,000 ongoing.

7.8 I have assumed that a Leisure Trust will be set up and save the Council £150,000 per annum from 2007/08. Further analysis is required for this to be assessed.

7.9 The base-budget for 2005/06 included £500,000 for the new priorities. I have included the £250,000 per annum to reflect the re-cycling costs of green waste. One-off income of £150,000 falls out, and the delivery of 11,000 more bins will increase the revenue costs of the service. It is proposed the budget for 2006/07 should reflect the level of service being provided.

7.10 It is likely that some services will require additional funding to fulfil new statutory requirements, eg Travel Concessions. I have allowed a provisional sum of £100,000 per annum.

7.11 Supplementary estimates approved in 2005/06 funded from reserves, increase the budget requirement.

7.12 The Grounds Maintenance Contract is due for renewal in 2006/07. It is thought that the base-costs will rise by £400,000 under the new contract. Work is underway to ensure the increase is kept below this level by careful structuring of the contract.

7.13 Scale of Charges - some charges will need to be inflated above RPI in order to close the deficit between spend and tax income. This will be calculated when service plans are known.

7.14 The capital programme is now in place, decisions made will impact on the General Fund in two ways

(a) Reduction in Capital Reserves - therefore less interest accruing in the General Fund

(b) If borrowing is required interest payments will fall to the General Fund.

7.15 The model assumes that the identification of costs associated with the non-prioritisation of services will be realised. If the savings are not realised the budget requirement will remain higher than desired.

#### What does it tell us?

7.16 At the current time, there is a need to consider, either the use of reserves or to find further savings. The following will be worked upon.

(a) The starting budget requirement has consistently been greater than the actual expenditure incurred. This implies that an element of growth can be constrained within existing parameters.

(b) The use of reserves will be expected for future years. They have been set aside for specific purposes and should be released in a planned way to help fund stepped changes in service improvement.

- (c) The funding gap could be closed by further increases in Council tax;
  - (i) by assuming full cost recovery in Special Expense areas
  - (ii) by a general rise greater than 3%. I would urge caution on simply financing expenditure by this method alone. Capping is a realistic government option and must be carefully considered by the Council.
- (d) Timing the investment in new areas with the release of cash savings.
- (e) Reviewing the impact of Stock Transfer on the General Fund.

### Conclusion

8. At this stage in the development of the budget for 2006/07 and future years, I recommend a starting budget requirement of £13,593,000. If this cannot be achieved, or other factors become relevant, it will be reviewed and the impact on Council Tax assessed.

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Corporate Director of Finance and Strategic Resources  
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**POTENTIAL INFLUENCES ON DRAFT BASE BUDGET**

	2005/2006 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000
Business Rate Incentive Scheme	(300)	(600)	(900)			
(Economies) Re-distribution of Savings - Target		200	200	200	200	200
Efficiencies Gershon Efficiency Savings Cashable	Included in Budget Requirement 2005/06	(252)	(252)	(300)	(300)	(300)
Cashable Efficiencies		252	252	252	300	300
Re-organisation costs		300	300	300	300	300
Impact of Stock Transfer - A			(1,000)	(1,000)	(1,000)	(1,000)
Impact of No Stock Transfer - B			1,250	250	250	250
Impact of Leisure Trust				(150)	(150)	(150)
Priorities Additional Spend - recycling		250	250	150	250	250
Statutory Growth		100	100	100	100	100
Supplementary Estimate Approved	100					
Grounds Mtce base + Contract Increase		400	400	400	400	400
Scale of Charges inc above inflation		N/A	N/A	N/A	N/A	N/A
Revenue impact on Capital Programme		300	300	300	300	300

N/A = Needs Assessing

<b>REPORT TO COUNCIL</b>
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REPORT OF: CABINET

REPORT NO: CAB04

DATE: SEPTEMBER 2005

<b>TITLE:</b>	<b>Review of Senior Management Structure</b>
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	<b>Budgetary Framework for 2006/07 and Supplementary Estimate for 2005/06</b>
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	All
<b>CORPORATE PRIORITY:</b>	All

Introduction

1. The purpose of this report is to ask the Council to endorse the recommendations relating to the financing implications of the Chief Executive's Report No.CEX296 which is attached as an appendix to this report.
2. The Council is asked to approve the following recommendations:
  - i) £300,000 towards the salary costs relating to the implementation of the review, effective from 1 April 2006.
  - ii) £150,000 to be a provisional estimate for the period 2006/07 to 2006/7 to cover the costs of the external recruitment, any redundancy payments and additional salaries payable if appointments are taken up before the 1st April 2006.

Comments of the Director of Financial and Strategic Resources

3. I have a duty to advise the Council on the robustness of the budget process and the adequacy of reserves for 2006/07.
4. In accordance with this duty I have discussed with the Leader the need to present a balanced, sustainable and robust budget for 2006/7 and the limitations on the use of reserves. This may require savings in certain areas of the Council activity and is reflected in the medium-term financial strategy.

**Councillor Linda Neal**  
**Leader of the Council**

# **REPORT TO CABINET**

**REPORT OF:** Chief Executive

**REPORT NO.** CEX296

**DATE:** 5th September 2005

<b>TITLE:</b>	Review of Senior Management Structure
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Yes
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	All
<b>CORPORATE PRIORITY:</b>	Change Management Action Plan
<b>CRIME AND DISORDER IMPLICATIONS:</b>	N/A
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	N/A

## **1. Introduction to Revised Report**

- 1.1 On the 6<sup>th</sup> of June the Cabinet considered and approved a report proposing a revision of the senior management structure. The report was aimed at ensuring that the Council was able to attract and retain the leadership and managerial skills required to fulfil the aspirations of the community of South Kesteven.
- 1.2 On the 23<sup>rd</sup> of June the Council considered a report from the Cabinet (CAB2) requesting the provision of the resources necessary to implement this re-structuring. The Council resolved to defer this report to enable the financial implications to be re-considered and taken into account in the preparation of a revised medium-term financial strategy for the District. This document will be coming before Council on the 8th September.
- 1.3 In the meantime there have been some minor alterations to the report as a result of on-going consultation with the Corporate Management Team and other consultees. For the benefit of members these are the principal changes:
  - 1) Personal details have been omitted enabling the report to be considered in public.
  - 2) The timetable has been revised as a consequence of the deferment.
  - 3) The indicative allocation of responsibilities between the six operational managers has been revised. However the final apportionment will still be determined in consultation with the Strategic Directors when they are appointed.
  - 4) Following consultation and advice from the Corporate Director for Finance and Strategic Resources the allocation of Section 151 responsibilities within the new structure has been resolved.

### **Original Introduction**

- 1.4 This report considers whether the corporate management structure is fit for purpose. It does this by reviewing the purpose and performance of the current structure and evaluates the strategic impact on the Council of recent, and likely future, events. It then appraises the merits of an alternative structure that could improve our strategic and operational capacities thus equipping the Council to achieve a faster rate of improvement.
- 1.5 To ensure that all significant issues are addressed, and to aid comprehension, the report has adopted a question and answer format.
- 1.6 The Corporate Director for Finance and the Corporate Manager for HR are affected by, and therefore have an interest in, one aspect of the report. Their comments do not relate to this aspect and they will leave meeting if this aspect is discussed. Similarly I will also declare an interest and leave

the meeting if any aspect of the discussion on this report bears upon my own employment with the authority.

## **2. What is the current structure and what factors led to its formation?**

- 2.1 The current senior management structure of the Council consists of a Chief Executive and a Corporate Management Team comprising 4 Corporate Directors and 2 Corporate Managers.
- 2.2 It was created nearly two years ago in recognition of the need to boost the strategic and corporate capacity of the Council and thereby improve the co-ordination, efficiency and effectiveness.
- 2.3 The structure below the Corporate Management team has not been comprehensively reviewed in the last decade. There are some twenty-four direct reports to CMT members. However these officers differ markedly in their responsibilities and salaries and the concept of "Service Head" has never been clearly established. A simplified, edited, version of the current structure is attached as Appendix C, however as a consequence of various secondments and re-allocation of work within the CMT this chart does not reflect current responsibilities.
- 2.4 As a consequence of this undifferentiated approach our drive to improve the leadership and management has embraced a wider section of the authority with some 65 staff referred to as senior managers, although this group contains a number of front-line supervisors.

## **3. How is the structure aligned to the Council's vision, ambitions and priorities?**

- 3.1 The Council's political structure at both the Executive (Cabinet) and non-executive (DSP) level has been comprehensively reviewed and revised in the light of the Council's vision, ambitions and priorities. As the management structure preceded the establishment of priorities this report is the first time that the structure has been reviewed in the light of these developments.
- 3.2 Incremental adjustments to the senior management structure have been achieved by secondments and limited re-organisations at the service level. These have created the capacity necessary to deliver the following service improvements:
  1. The separation of planning policy from development control in order to both align planning policy with economic development, and provide managerial focus to improving development control performance in accordance with the Council's priorities.
  2. The re-allocation of all other duties of the Corporate Director (Operations) in order to enable him to design and lead the seven workstreams implementing the customer services access and modernisation project in recognition of the Council's priority for access.

3. The transfer of some environment responsibilities from the Head of Housing to Environmental Health and the rationalisation of litter enforcement powers from Environmental Health to Cleansing in order to improve both the managerial capacity within housing, and the resources with cleansing, in accordance with the Council priorities for these services.
  4. The creation of a dedicated housing landlord unit called the tenancy services team.
- 3.3 These reactive changes have proved to be an effective and flexible way of responding to immediate issues. However incremental improvements are not a substitute for a comprehensive review. In particular such partial remedies are not effective at addressing underlying issues, which may prevent the structure from being fit for purpose. Reactive changes also fails to realise the potential contribution that the structure can make to changing organisational culture resulting in the Council being shaped by its culture rather than the Council shaping its culture to meet its ambitions.

#### **4. What are the underlying issues?**

- 4.1 The issues which need to be addressed if the Council is to progress in a manner which it can be confident is providing its residents with either a “good” or “excellent” standard of service have been identified in the CPA and CPA re-fresh reports. They are:
1. The need to improve the competence and capacity of senior managers.
  2. The need to establish and embed a culture dedicated to establishing and maintaining the highest standards of customer service.
  3. The need to maintain a balanced approach with equal attention and investment in both the management, or “transactions”, of the Council and the development and change, or “transformation”, of it.
  4. The need to provide clarity of organisational structure and accountability throughout the officer team.

#### **5. How does the structure compare with those of similar sized Councils?**

- 5.1 The Corporate Management team is large; indeed I am not aware of any similar sized Council that has a team of this size. This should not be considered to be a negative attribute. Indeed auditors and assessors have consistently identified as a strength the awareness, communications and degree of team working within the CMT.
- 5.2 Similarly, most other authorities have sought to clarify accountability by streamlining and establishing a clear and consistent approach to operational management by having considerably fewer service heads than currently exist at South Kesteven. Numbers vary, dependent upon patterns of externalisation.

**6. How do the salaries and structures compare with other Councils both in Lincolnshire and in other Councils?**

6.1 This information is given in Appendix A. As can be seen one of the cost drivers we face in any senior management re-organisation is that our starting point is that our salaries at section head and director level are considerably below those of all other Lincolnshire authorities. Most of these Councils have already adopted similar management arrangements to those being proposed in this report.

**7. Does the current structure strike the right balance between strategic and operational management?**

7.1 The undifferentiated and undeveloped nature of the senior management has meant that the agenda and work of CMT has a high component of operational matters.

7.2 Whilst the results of this approach have been effective where they have been applied, they do not amount to a systematic and robust improvement agenda which can deliver improvements at the speed necessary to effect improvement as measured by CPA ratings. This analysis has recently been confirmed by the authority's CPA re-refresh and is further reinforced by the recognition of the increased expectations embodied in the revised CPA 2005 guidance.

7.3 The need to devote most of their time to operational matters has made it difficult for the Corporate Management Team to devote sufficient resources to strategic activities such as monitoring of the environment and understanding and responding to new initiatives. The development of the authority as such a forward-thinking organisation is an essential pre-requisite of the transition to good and is equally important in demonstrating clear and decisive leadership to the local community.

**8. What changes is the Council facing and what are their implications for the corporate structure?**

8.1 Looking ahead it is evident that the Council is entering into one of the most challenging periods in its history. The significant components that will be realised in the next 18 months are:

1. Either the complete transfer of the housing landlord service to a registered social landlord, or if the stock is retained, the creation of a dedicated housing management organisation in order to secure the required separation of landlord from strategic housing responsibilities.
2. The introduction of a Customer Service Centre, which will revolutionise how the Council's services engage with the public, and the processes by which they are delivered and managed.
3. The possibility that other significant services of the Council such as leisure, culture and care services may transfer from direct provision to operation through a trust model.

4. The need to develop far more effective and robust partnerships with other public and private agencies through the LSP, if the Council is secure the advantages and funding for the local community that is intended to flow from Local Area Agreements.
5. The need to create a Council whose agenda and organisation is more responsive and attuned to understand and meet the needs of its communities by using a mixed market approach and is less dominated by issues arising from the direct provision of services.

## **9. Summary of the current situation**

- 9.1 In summary the Council's management structure has not been reviewed in the light of its vision and priorities. Although successful in delivering improvement on an incremental basis the speed of improvement and the amount of action needed means that the organisational structure could itself become the barrier to the authority in meeting the expectations of our customers and in moving from "fair" to "good".
- 9.2 In a nutshell the undifferentiated operational management structure coupled with a large CMT does not provide a structure that is fit for current, or future, purpose. The structure has demonstrated a level of competence at incrementally addressing and improving operational management in areas of weakness but inspections of areas that have not benefited from this focussed approach have demonstrated that a more systematic and rational approach is needed to create a structure that balances and resources both our operational and strategic responsibilities.
- 9.3 In order for the Council to lead its community successfully through a time of unprecedented change this balance can best be achieved by a clearer separation of responsibilities within the officer team for the strategic, or transformation of the Council, from the operational, or transactions, of it. This will then enable both of these aspects to be properly developed to the benefit of the local community. It will also provide the strategic capacity that will be needed to establish fruitful and effective partnerships with other local agencies, which is a key ingredient in the securing of additional resources for our communities in the future.

## **10. Timetable for the re-structuring**

- 10.1 If we assume a start date of the 1<sup>st</sup> April 2006 we will have time to minimise the costs that could arise from the re-structuring and be better able to respond in a positive and supportive way to the difficult personnel issues that a re-structuring will give rise to. This is important if we are to minimise the impact on staff morale.
- 10.2 Operating on this timescale also enables the re-structuring to proceed in a series of steps allowing the Strategic Directors who will be appointed in the first step to influence the packaging and lead the appointment of the General Managers.

The four steps would therefore be:

1. Determination of the number, remuneration and duties of the Strategic Directors with appointment being concluded by December 2005.
2. Determination of the remuneration and duties of the General Managers with appointments being concluded by March 2006.
3. Implementation of the new structure with effect from the 1<sup>st</sup> April 2006.
4. Review of the capacity and resources within each section by the newly appointed General Managers.

### **Proposals for step 1**

- 10.3 The Strategic management structure is set out in Appendix B, with job descriptions and person specifications. As can be seen, it is proposed that there be three Strategic Directors.
- 10.4 Reporting to these Strategic Directors would be a rationalisation of the twenty-four direct reports into six Heads of Service termed "General Managers". (Excluding housing) The packaging of services into these sections would be addressed in the second stage of this exercise in consultation with the Strategic Directors when appointed. However to give a flavour of the posts proposed a draft of the possible division of services at this level is also included in Appendix B. Following consultation with the Corporate Director of Finance it is proposed that the General Manager for Resources is appointed by the Council as the Section 151 Officer.

### **11.0 Remuneration**

- 11.1 As members will be aware the Council has now formally job evaluated all posts (except craft posts). However none of the posts of the current Corporate Management Team were included in this evaluation.
- 11.2 Attached, as Appendix A is some current data from other authorities in Lincolnshire, which gives details of their structures and remuneration for Chief Executive, Strategic Directors and General Managers. It is noteworthy that whilst it has the highest wages in Lincolnshire, South Kesteven is paying the lowest average salaries at both Director and Service Head level. If account is then taken of the disparity in size between Lincolnshire Councils (the largest of which has over twice the population of the smallest), the same is also found to apply at the Chief Executive level.
- 11.3 If the Council wishes to acquire and retain senior managers of sufficient calibre to be able to deliver its improvement agenda then these disparities will have to be addressed. By rationalising the number of General Managers it will be possible to minimise the cost implications.

### **12. Minimising risks of redundancy.**

- 12.1 As explained earlier the CMT currently comprises two Corporate Managers on a salary of £50,805 and four Corporate Directors on a salary of £61,029.

- 12.2 In introducing the new structure the Council would wish to avoid redundancy where possible. The first consideration therefore is to identify the posts that are affected. Personnel advice is that this is likely to include the 4 Corporate Directors and the 2 Corporate Managers.
- 12.3 It is not known how many of these post-holders would be interested in, or successful in their applications for, the posts of Strategic Directors. However as there are three such post it is inevitable that at least one of the current Corporate Directors would be unsuccessful. In order to minimise the risks of redundancy and to smooth the transition to the new structure it is proposed that any Corporate Director or Corporate Manager who was unsuccessful it being appointed as a Strategic Director be assimilated into the post of a General Manager on their current salary.
- 12.4 There are likely to be a number of senior management posts, which will be affected by the creation of General Managers. It is not possible to determine the precise number of posts affected until a decision on packaging of services has been made. However it is estimated that the number of posts that could be adversely affected would not be large and some of these will be affected by the review being undertaken of housing landlord and strategic roles.

### **13. New Management Arrangements**

- 13.1 Under the new structure it is intended to establish the following management structure:
- 13.2 A Strategic Management Team, comprising the Chief Executive and three Strategic Directors with a remit to oversee the strategic development and transformation of the Council. This team will meet with the Cabinet on a frequent basis.
- 13.3 An Operational Management team comprising six General Managers to manage the implementation of this strategy.
- 13.4 A Management board comprising member of the Strategic and Operational Management teams.

### **14. Alternatives**

- 14.1 If the Council's Corporate Management arrangements are not amended to attune with the authority's vision and priorities, then these arrangements may well themselves become a barrier rather than a driving force forward. This issue will be thrown into very sharp focus if the Council decides to either transfer the housing stock or elect to manage it through an arms-length arrangement. By considering these issues relatively early, the Cabinet is able to reflect upon the best option for the Council and thereby minimise the problems associated with change. Proposals for re-structuring that do not facilitate adequate time for preparation and planning can be very costly in terms of finance, outcome and their impact on staff morale.
- 14.2 Continuing with the current structure poses major problems in recruitment and retention and as a consequence of this the Council will face very

significant increases in costs if it has to rely upon agency staff to cover key managerial posts.

## **15. Costings**

15.1 In order to establish some date for costings it is proposed that:

The grade for the Posts of Strategic Directors be set at up to £75,000  
The grades for the six posts of General Managers are established by job evaluation within the range of £50,805 to £61,000, with those posts not filled by assimilation being

15.2 On this basis the salaries for these posts would be in the region of £560,000.

15.3 By comparison the current salary costs for the six members of the Corporate Management Team is £346,000.

15.4 However the creation of six new General Managers will have implications for the number or level of responsibilities of the team-leaders who they will manage. It is impossible at this stage to undertake a precise calculation of these implications since it depends upon the decisions being made in the future regarding structures and appointments within service sections. However it is envisaged that there will normally be three team leaders under each General Manager. Given the increased capacity being provided by General Managers it is reasonable to set a target of £100,000 for offsetting efficiencies to be realised as a result of subsequent re-structuring at this level.

15.4 This calculation takes no account of one-off costs such as redundancy and early release of pensions that will arise in the introduction of the new structure if suitably alternative employment cannot be offered to persons adversely affected by these proposals.

15.5 The costings also assume that the housing functions will either be transferred (in which case the costs for employees will fall to the new landlord) or if retained, be managed through a dedicated tenancy service section. In this case the employment costs of the additional post of Director of Tenancy Services and all managers reporting there-to will be funded entirely from the Housing Revenue Account (HRA).

## **16. Comments of Corporate Director (Finance and Resources)**

### FINANCIAL ISSUES TO CONSIDER ON REORGANISATION

16.1 On any major restructuring it is important to get a broad view of where the likely costs will arise and an indication of the benefits that will accrue from the changes. The costs are likely to fall into either direct costs or indirect costs.

16.2 Direct Costs- The main costs will be firstly any salary increases / decreases of the changes at officer level. This will need to be assessed at the various levels of the proposed reorganisation in order that the total cost could be established. In comparing the structure cost with other Councils, it is important to compare like with like –Are the same tier carrying out the same

level of strategic/operational activity? Are there any other particular retention or recruitment issues impacting on salaries? The second main element of cost that can arise is that associated with either redundancy or impact on pension fund. Although these are one-off costs and clearly dependent on individual circumstances it is quite possible/probable that in such a proposed change costs of this nature will accrue. Redundancy costs follow a set formula. If there is an early release of Pension then the County provide a figure to the employer for the loss of assumed employer contributions relating to that individual.

16.3 Indirect costs (the third area of costs) are not measurable in that they relate to the uncertainty that such changes have on all staff, but in particular managers. Productivity can fall and some may become de-motivated. If key staff leave then there can be a loss of knowledge to the authority in key services. These things need careful managing in any reorganisation and providing the reasons for the change are understood, owned and evidenced they can be overcome.

16.4 Having reviewed the costings at section 15, I would make the following comments:

(i) On the assumption that any Corporate Director who is not successful in being appointed as a Strategic Director is assimilated to the General Manager posts, I agree that the estimated total cost of the structure (without on-cost) is £560,000 per annum (excluding Chief Executive).

(ii) Paragraph 15.4 explains that there is a target efficiency saving of £100,000. This saving would only accrue through smarter management. I believe that a significant risk that elements of additional work would still be required at lower levels and assume that the most likely scenario is for the savings from management efficiencies to be re-directed into service improvements.

(iii) Given the above assumptions, I estimate these new arrangements will require an additional £200,000 per annum, rising to £300,000 if the efficiency savings are not achieved. I have made no assumptions regarding the Chief Executive's salary. These figures do include direct on-costs

(iv) Paragraph 15.5 mentions the Housing restructure and the impact of stock option appraisal. I estimate there could be an additional £100,000 of costs falling upon the General Fund if the Council disposed of the stock however there would be compensatory interest receipts. This could be a key issue when considering the future capacity and strategic direction of the authority under the various housing options being explored.

16.5 In terms of one-off costs, working with the Corporate Manager Human Resources, we estimate the worst-case scenario to be £250,000 and the most likely scenario to be £150,000. This would include external assessment and, if necessary, recruitment costs. A provision of £150,000 for this purpose should be provided.

16.6 Clearly these issues impact upon future financial years and as such are outside the current budget framework. The cost/benefit analysis would

need Council approval to be accommodated within future budgets and levels of council tax.

- 16.7 In summary, the estimate of impact of the changes upon the General Fund is:

Best Case : £200,000 per annum  
Worst Case : £300,000 per annum

One-off costs estimated at £150,000.

Note

I have prepared this note to give an indication of some of the areas that will need to be financially assessed as part of the proposal. Although my current post is assessed at risk I will continue to provide information, guidance to members on the proposals. I am keeping a record of the advice, in case it needs to be subjected to audit by the District auditor at a later date.

## **17. Comments of the Corporate Manager (HR & OD)**

- 17.1 I should preface my remarks with a declaration of interest. Undertaking structural reviews to increase capacity rather than reduce costs should carry fewer risks associated with challenge from displaced employees and reduced morale. These proposals are intended to increase capacity through the establishment of an additional tier of strategic management and the better differentiation of third and fourth tier managers.
- 17.2 My comments fall into two areas – firstly the HR perspective of risk associated with the appointment of three strategic directors and the closing of four posts of corporate director. Secondly the organisational development perspective of achieving more rapid and transformational change – are these proposals likely to achieve such change and also address the issues outlined in paragraph 4 of this report?
- 17.3 What are the risks associated with closing down the four corporate director posts and creating three new strategic directors at a significantly higher salary? The Council will wish to reach a balance between ensuring it appoints the best people it can realistically attract at £75,000 p.a, minimise redundancies, (which are costly and wasteful of existing talent) and treat existing employees decently. (The ‘cost’ of not doing so is impossible to measure in monetary terms but is nonetheless keenly felt by organisations that do not do so.)
- 17.4 The proposal establishes six third tier operational management posts at a similar salary range to that of current Corporate Director/Manager posts. In the event that none of the existing Corporate Directors/Managers are successful in being appointed to one of the strategic director posts they may still have the opportunity to be appointed to one of the operational third tier posts. The issues are then whether or not any of them have a right to be assimilated to one of the new posts of Strategic Director and whether or not the third tier posts proposed by this report represents suitable alternative employment.

- 17.5 It is clear to me that nobody has the automatic right to assimilation to the newly created posts of Strategic Director.
- 17.6 I now turn to the question of suitable alternative employment. The position is that there must first be a redundancy before the issues of suitable alternative employment is a consideration. A redundancy occurs only when there is a reduction in the need to carry out work of a particular kind. The question arises - has there been a diminution of work of a particular kind? If one looks at the definitions proposed for third tier posts, and takes account of the fact that quite clearly incorporated into the contracts of employment of Corporate Directors is the right to move responsible functions from one to another, it is difficult to establish that a redundancy actually occurs. The posts briefly described in this report as 'General Manager' represent a near approximation to the existing posts of Corporate Director/Manager. It seems logical to suppose therefore that they not only represent suitable alternative employment but also posts to which the postholders have a right to assimilate. It follows that should an existing Corporate Director/Manager refuse an offer of employment to one of these posts (at their existing salary) the Council would not pay redundancy even though their existing post has disappeared.
- 17.7 Turning to the issues of organisational development that arise from this report. The proposals seek to build capacity at a strategic level (to speed up a necessary process of transformation), provide clarity of structure and thirdly help the process of establishing a culture of excellence. There are proposals in this report that seem to offer solutions to the first two of these objectives. However I think it is right to emphasise that a reorganisation will not, in itself, bring about cultural change— but it can facilitate change.
- 17.8 Such change may arise from the skilful application of the Strategic Director's roles in terms of giving a very clear sense of direction and promoting in subordinates less aversion to risk through being almost endlessly supportive. Without these features very much in place it is unlikely people will take on new challenges and thus the pace of change would be constrained. We clearly require these two qualities in people appointed to those posts.

## **18. Chief Executives Appraisal Panel**

- 18.1 In accordance with previous practice it is proposed that member consultation on the appointment of the Strategic Directors is undertaken by the involvement of the members of the Chief Executives Appraisal Panel.
- 18.2 It is recommended that the remit for this panel be extended to include the authority to implement and make assessments against, a performance-related pay scheme for the Chief Executive.

## **19. Recommendations**

That the Cabinet recommended that the Council authorise the following adjustments to the budget and policy framework:

- i) £300,000 towards the salary costs relating to the implementation of the review effective from 1 April 2006.

- ii) £150,000 to be a provisional estimate for the period 2006/07 to 2006/7 to cover the costs of the external recruitment, any redundancy payments and additional salaries payable if appointments are taken up before the 1st April 2006.

**Duncan Kerr**  
**Chief Executive**  
**August 2005**

## APPENDIX A

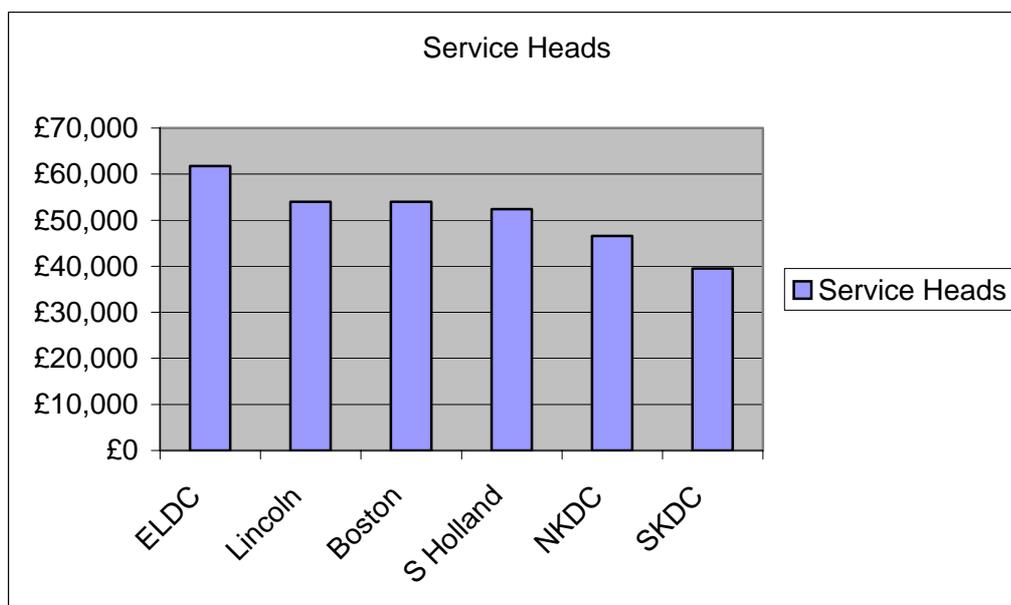
Apr-05

AUTHORITY	POP	C EXEC SALARY	COST PER RESIDENT	CORP DIR/MANAGER SALARY	NO	SECTION HEAD SALARY	NO
						£35,970	3
				£61,029	4	£39,921	10
<b>South Kesteven</b>	<b>125,000</b>	<b>£91,539</b>	<b>£0.73</b>	<b>£50,805</b>	<b>2</b>	<b>£46,065</b>	<b>1</b>
Boston	55,739	£85,000	£1.52	£78,000	2	£54,000	4
N Kesteven	99,008	£89,895	£0.91	£72,741	1	£46,545	8
				£77,730	1	£52,890	1
W Lindsey	79512	£95,000	£1.19	£62,000	4	NK	20
E Lindsey	130,500	£104,000	£0.80	£75,153	2	£61,770	6
Lincoln	82,824	£100,178	£1.21	£77,500	3	£54,000	12
S Holland	72,256	£86,778	£1.20	£70,704	2	£52,374	8

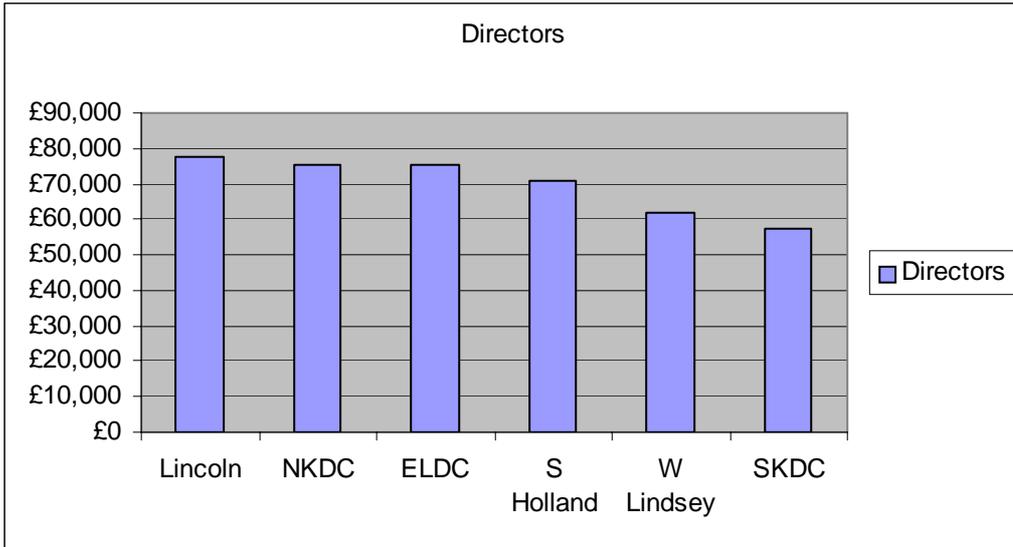
Salaries are shown at present levels – most have increments for instance Lincoln bands are as follow: CEx (92,838 to £103,134); Directors (£69,472 to £79,785) and Service Heads (£51,486 to £56,774)

The charts below present some of this data in table form:

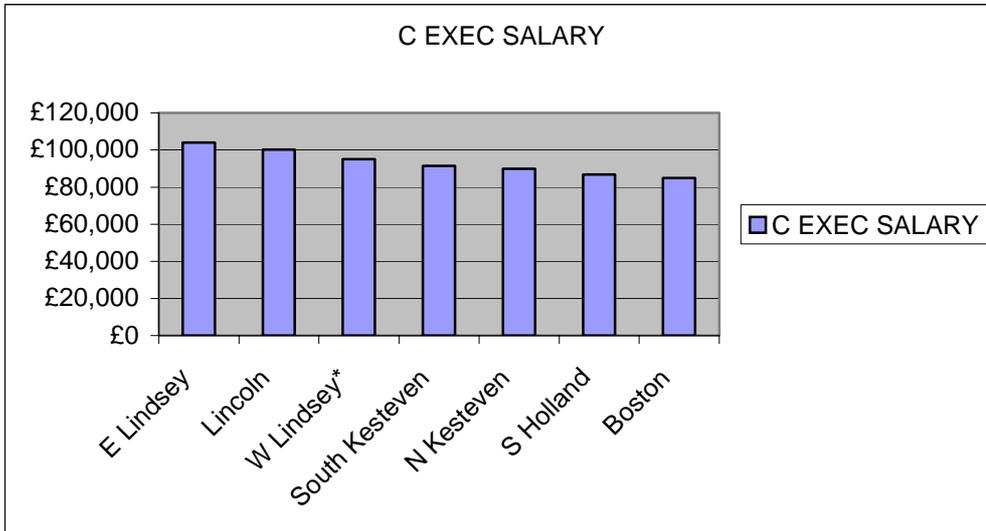
### Average salaries at Service Head level



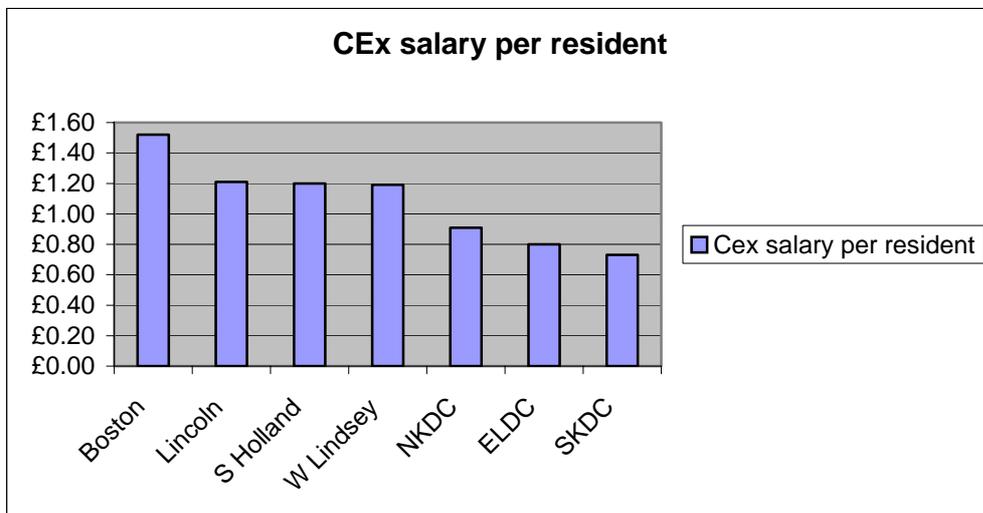
**Average salary at Director level**



**Cex Salary**



**Cex Salary per head of population**



**CORPORATE MANAGEMENT SALARIES IN COMPARABLE HIGH-PERFORMING DISTRICT COUNCILS**

May-05

AUTHORITY	POP	C EXEC SALARY	CORP DIR/MANAGER SALARY	NO	NEXT TIER SALARY
<b>South Kesteven</b>	<b>125,000</b>	<b>£91,539</b>	<b>£61,029 £50,805</b>	<b>4 (2)</b>	<b>£35,970 £39,921 £46,065</b>
High Peak cpa (E)	89,433	£109,024	£60k-£73k	2	£55,752 £49,395 £43,851
St Edmsbury cpa (E)	98,000	£104,784	£74,046	3	£62,742 £55,395
Shrewsbury cpa (E)	95,896	N/k t.b.f	£69,057	2	£62,742 - £55,395
Breckland cpa (G)	121,600	£102,945	£49k-£61k	4	£47,091
Hunting/shire cpa (E)	159,100	£87,000 -£13,100	£53k-£79k	3	£40k-£60k

Key to cpa categories:

E = Excellent

G = Good

## **APPENDIX B**

### **Structure at Strategic Director Level**

#### **SD (Resources)**

##### **Contribution to Developing and Delivering the Council's Vision.**

To earn pride in the Council by securing exemplary standards in the ways it develops and utilises public assets.

##### **Noticing Role**

Noticing threats and opportunities arising from resources (e.g. technology, land people and finance)

##### **Thematic Responsibilities**

Corporate Governance  
Efficiency and procurement  
Fostering the dynamics that enable members to act as Community Leaders  
Cultural development of the organisation  
Value for money

##### **Relationship with Portfolio-holders and DSPs**

Portfolios for Resources and Organisational Development

DSP for Resources

#### **SD (Services)**

##### **Contribution to Developing and Delivering the Council's Vision**

To develop pride within communities by nurturing and enabling residents' participation in democratic structures and ensuring that in its delivery of services the Council is an exemplar.

##### **Noticing Role**

Noticing threats and opportunities arising from developments in customer needs and expectations

##### **Thematic Responsibilities**

Shaping services around the needs of customers  
Community Planning and neighbourhood development  
Customer empowerment and choice  
Community sustainability, diversity and cohesion.  
Consultation

## **Relationship with Portfolio-holders and DSPs**

Portfolios for Community Safety, Economic Development and Healthy Environment

DSPs for Community, Development and Healthy Environment

## **SD (Performance and Partnerships)**

### **Contribution to Developing and Delivering the Council's Vision**

To secure pride in all public agencies operating in South Kesteven by securing and demonstrating a co-ordinated and integrated customer-focussed approach.

### **Noticing Role**

Noticing threats and opportunities arising from both national policies and the priorities of other agencies.

### **Thematic Responsibilities**

Development of strong and customer-focussed partnerships with other agencies based on common understanding of relative needs, united vision and shared objectives and actions plans.

Informing and involving residents

Establishment of Local Area Agreements.

Performance Management

Communications

## **Relationship with Portfolio-holders and DSPs**

Portfolios for Access and Engagement and Strategic Partnerships

DSPs for Engagement

**SOUTH KESTEVEN DISTRICT COUNCIL**

**JOB DESCRIPTION (GENERIC)**

**STRATEGIC DIRECTOR**

**REPORTING TO: Chief Executive**

**PURPOSE : The Strategic Management of the Council**

**SALARY : Three point scale £70,000, £72,500 and £75,000.**

**Corporate Management**

1. Actively promoting the corporate delivery and making a reality of the council's vision, values, ambition and priorities, providing a clear sense of direction, optimism and purpose.
2. Articulating and engendering support and understanding for joined up public service delivery in South Kesteven by active engagement in the Local Strategic Partnership and ensuring full integration between the Council and other agencies through the realisation of the Community Strategy.
3. Actively contributing to the strategic direction of the Council as a whole and its corporate management, creating the capacity for strategic change, developing effective corporate working and external links.
4. Actively contributing to the corporate management of the Council as a member of the Strategic Management Team and providing a major contribution towards the strategic development and operation of the Council in the provision of efficient and effective services.
5. Ensuring the strategic policy objectives of the Council are achieved economically and effectively through the provision of corporate leadership, direction and effective performance management of specific service areas.
6. Promoting a clear focus within the organisation on:
  - quality, generating a real performance culture and customer focus;
  - flexible cross-Council working and an outward, community focus;
  - building a valued, confident and innovative workforce and organisation
  - optimising the benefits of integrated decision making and empowerment
7. Developing and promoting internal and external partnerships:
  - that reflect the Council's vision of pride in the authority and the community
  - that demonstrate commitment to work in partnership with the community and improve the quality of the life for all its citizens
  - that improve service delivery and jointly tackle local problems

- that reflect flexible, integrated, cross-Council working and an outward focus
  - that maximise the use of external sources of funding
8. Assisting members by creating the conditions within which they can demonstrate effective and informed local leadership within their community.

### **Principal Accountabilities**

1. Actively contributing to the formulation and achievement of the Council's Aims and Objectives, with the Chief Executive and other Strategic Directors as the Senior Officer Executive body of the Council.
2. Building strong and positive relationships with the Leader, Cabinet and all other Elected Members, providing the support assistance and professional advice necessary to them in the performance of their functions, in the provision of services to the Community.
3. Contributing to the development of effective corporate planning and management processes, including the identification of corporate priorities and strategies and gaining support for these both internally and externally.
4. Ensuring the Authority's operations are kept under review, to provide continuous improvement including the way that customer requirements are assessed; the way that services are designed and procured; the measures used to assess service quality community impact. and the steps taken to secure full consultation with customers, partners and stakeholders.

### **Strategic Leadership**

5. Providing strategic direction leadership and accountability for the work, impact and overall performance and corporate strength of the portfolio of Council's activities allocated from time to time.
6. Promoting continuous improvement through effective evaluation and improvement of performance and promotion of a robust and systematic approach to managing projects or services and demonstrating value for money.
7. Providing effective leadership to a group of General Managers securing service objectives closely aligned to the Council's strategic objectives, and ensuring that Services operate in a co-ordinated manner to achieve these objectives.
8. Providing continuous scanning and scoping of the wider environment to anticipate and develop timely responses to external trends and developments.

### **Resource Management**

9. Reviewing Service plans to ensure that they are both challenging and robust. Ensuring sound financial performance against corporate and service objectives

including efficiency targets. Making timely interventions and recommendations to Strategic Management Team and Members.

10. Providing effective management of the Council's resources via the budget, ensuring adherence to Council standing orders, corporate standards and financial regulations, and ensuring that spending remains within agreed limits.
11. Ensuring effective corporate governance and compliance with policy, legal, statutory and other relevant provisions relating to the portfolio of Council's activities allocated from time to time.
12. Promoting and delivering effective performance standards and development of managers through the performance and development review process, including self-development needs.
13. Ensuring the provision of healthy, safe and productive practices within the portfolio of Council's activities allocated from time to time.
14. Optimising the management and development of human resources within the allocated portfolio of Council's activities, ensuring the maintenance of good employee relations and the effective application of personnel policies and procedures.

### **Communication and Culture**

15. Providing demonstrable leadership to all staff within the allocated portfolio of Council's activities, which reflects and reinforces the Council's stated values.
16. Promoting strong, direct and effective communications and consultations, internally and externally, that ensure the Council's messages are conveyed in a timely, transparent and coherent manner, use appropriate systems and utilise the available technology to best effect.
17. Developing collaborative working relationships with colleagues and Members and promoting the Authority vision and values through timely and effective advice and guidance.
18. Acting as an ambassador for the Authority; promoting its achievements and influence through effective linkages with partners and other external organisations, including the provision of leadership and advice, contributing to policy, and conciliation where necessary.
19. Active encouragement and support of managers through effective communications and consultations, including the promotion of collaborative working and the design and implementation of effective, competency based assessment schemes.
20. Making a major contribution to the determination of the culture and style of organisation that the Council wishes to aspire to, and demonstrating inspirational leadership through the development and realisation of an effective cultural change programme.

### **General**

1. The above accountabilities are not exhaustive and may vary from time to time without changing the character of the job or level of responsibility.
2. The above accountabilities require confidentiality to be maintained at all times in relation to restricted or confidential information, which may be covered by the data protection Act.
3. Providing a flexible approach to ensure the operational needs of the Council are met, including the undertaking of duties of a similar nature and responsibility as and when required, throughout the various work places in the Council.
4. Promoting the Council's equality objectives and ensuring compliance with its Equal Opportunity Employment Policy.
5. Promoting the Council's objective of providing a safe and healthy working environment, taking reasonable care for the health, safety and welfare of him/herself and other employees and ensuring compliance with relevant legislation and the council's Safety Policy and Programme.
6. Representing the Council, as may be required by the Chief Executive, at civic functions and other events whether within or outside of normal working hours.
7. Participating as a full member of the on-call rota for Emergency Planning and Business Continuity and meeting the obligations imposed as a result.

### **Specific**

1. It is desirable that the Strategic Director (Resources) is a qualified member of the one of the six bodies that comprise the Consultative Committee of Accountancy Bodies (CCAB).

## **SOUTH KESTEVEN DISTRICT COUNCIL**

### **PERSON SPECIFICATION (GENERIC)**

#### **STRATEGIC DIRECTOR**

##### **Experience**

1. A record of success as a senior manager making a strategic contribution to the overall business, including evidence of strategic development and implementation within a large, multi-functional organisation of comparable scope and complexity across a range of service lines.
2. A proven record of successful participation in the formulation of corporate objectives, policies and strategies within a large, multi-disciplined organisation resulting in significant organisational recovery.
3. An extensive record of success in creating and implementing radical change in policy and practice through working in or with large and complex organisations and a track record of achieving widespread cultural and behavioural change.
4. A proven record of successful financial management and participation in the formulation of innovative financial objectives, policies and strategies in relation to corporate objectives and the needs of partner organisations.
5. Considerable experience of assessing the impact of, advising, influencing and formulating effective policies in response to trends and developments in the strategic environment within which local authorities operate.
6. A record of demonstrable success in managing a diverse range of services and translating organisational ambitions into real achievements.
7. A record of successfully engaging with others, building positive relationships with a variety of communities, partner organisations, private sector providers, Government, public agencies and statutory authorities.
8. Successful record of establishing and driving a positive performance culture, effective performance and service quality evaluation that has driven up standards and performance.
9. Evidence of promoting diversity, tackling discrimination and the barriers that prevent equal access and taking forward an organisational commitment to Equalities in service improvement and staff management.
10. A proven record of success in advising and influencing at Board and senior management level in organisational effectiveness, corporate governance and improvement.

## **Competencies**

11. An ability to lead the Council in embedding a culture of strong, supportive leadership, that realizes the full capacity of the organisation, fostering its talents and a positive and creative organisational culture.
12. Ability to think clearly, creatively, imaginatively, corporately and strategically, gain commitment to a clear vision and direction, and deliver results.
13. High level of political awareness and diplomacy, with an ability to operate with sensitivity in a political environment, providing professional advice confidently and tactfully, with clear viewpoints and policy direction.
14. Sound professional and tactical judgements and the ability to handle competing priorities and a challenging workload within a pressurised political environment.
15. An awareness of the barriers to organisational change and an ability to instil a sense of ownership amongst others to realize the Council's objectives for organisational and cultural change.
16. Ability to persuade, influence and gain commitment through outstanding interpersonal skills that can relate effectively to the public, employees, Council Members and other stakeholders and attract their respect, trust and confidence.
17. Highly developed networking, advocacy, oral, written and presentation skills, with the ability to relate to and work with people at all levels and communicate effectively to audiences at all levels of knowledge.
18. A confident and resourceful manager who can operate in a complex multi-disciplined environment and has credibility because of what they do, and how they do it, rather than relying on their position or profession.
19. Sound understanding of strategic management including strategic analysis, strategic choice and strategic implementation.

## **Personal Qualities**

20. A leader who can inspire by being energetic, determined, positive, decisive and resilient enough to cope with the demands of the role.
21. A shrewd, intellectual, creative, strategic and lateral thinker who can, when required demonstrate sufficient detachment from operational issues to identify and assess strategic options without any perception of operational or personal bias.
22. An enthusiastic and effective ambassador for the Council with a strong commitment to improving its performance and its ability to meet the needs of the communities it serves.
23. An excellent role model, promoting high standards of probity, integrity and honesty, with credibility across a wide range of audiences and respect for all.

24. A motivator, who can promote new and creative thinking and a corporate focus to achieving the Council's objectives and continuous improvement, best value, service excellence and equal opportunities.
25. A persuasive and effective influencer who can foster partnerships, work collaboratively across boundaries and is aware of how to maximise their influence to achieve performance and results through others.

**Draft of Possible Allocation of Responsibilities Between Six General Managers to be finalised following consultation with Strategic Directors.**

- 1. General Manager for Resources**  
Financial Management  
Accountancy  
Revenues and Benefits  
Assets and Facilities  
Sec 151 responsibility.  
Procurement  
Value for Money  
Risk Management
  
- 2. General Manager for Organisational Change and Development**  
Member and staff training and development,  
Committee Services  
Local Democracy  
Human resources  
Employee relations
  
- 3. General Manager for Legal and Enforcement Services**  
Legal  
Food/Health and Safety  
Building Control  
Land Charges  
Licensing  
Monitoring Officer.
  
- 4. General Manager for Environment**  
Sustainable Waste Management  
Grounds Maintenance and Play Equipment  
Environment Team  
Emergency Planning  
Markets and Fairs.
  
- 5. General Manager for Sustainable Communities**  
Economic development  
Planning policy,  
Development Control  
Sustainable homes  
Strategic leisure and culture  
Crime and Disorder
  
- 6. Operational Manager for Information and Performance**  
Performance Management,  
Information Technology  
Customer Services  
Area Offices  
Diversity  
Communications and Consultation.  
Measuring Community Impact

**DRAFT JOB DESCRIPTION AT GENERAL MANAGER LEVEL**

<b>SECTION OPERATIONAL MANAGEMENT TEAM</b>	<b>DESIGNATION GENERAL MANAGER FOR _____</b>	<b>REF</b>	<b>DATE MAY 2005</b>
<p><b>PURPOSE OF JOB</b> Share the responsibilities of the Operational Management Team and make specific contributions to its work including the project management of specific initiatives from time to time. Manage the performance of managers assigned to you ensuring that the work activities for which they are responsible achieve planned objectives.</p>	<p><b>RESPONSIBLE TO</b> Strategic Director</p>	<p><b>TYPE OF CONTRACT</b> Permanent</p>	
<p><b>GROUP RELATIONSHIPS</b> Currently your portfolio of service will include:</p>	<p><b>LOCATION/PHYSICAL ENVIRONMENT</b> Based at Council Offices, St Peters Hill, Grantham, Lincs.</p>		
<p><b>HOURS OF WORK</b> Your working hours are those deemed necessary to cover the needs and requirements of the service. This means that you will be required to work evenings and weekends in addition to normal office hours. Under the provisions of the Working Time Directive this post is deemed a derogated position.</p>			
<p><b>ECONOMIC CONDITIONS</b> The salary for this post is up to £61,029 per annum. 25 days annual leave (30 days after 5 years' local government service).  Voluntary membership of the local Government Pension Scheme.</p>		<p><b>POLITICALLY RESTRICTED POST</b> This is a politically restricted post.</p>	
<p><b>DUTIES:</b> The activities described on the following page may be varied from time to time to meet the needs of the service. The postholder may be required to undertake any other relevant duties by the Council.</p>			

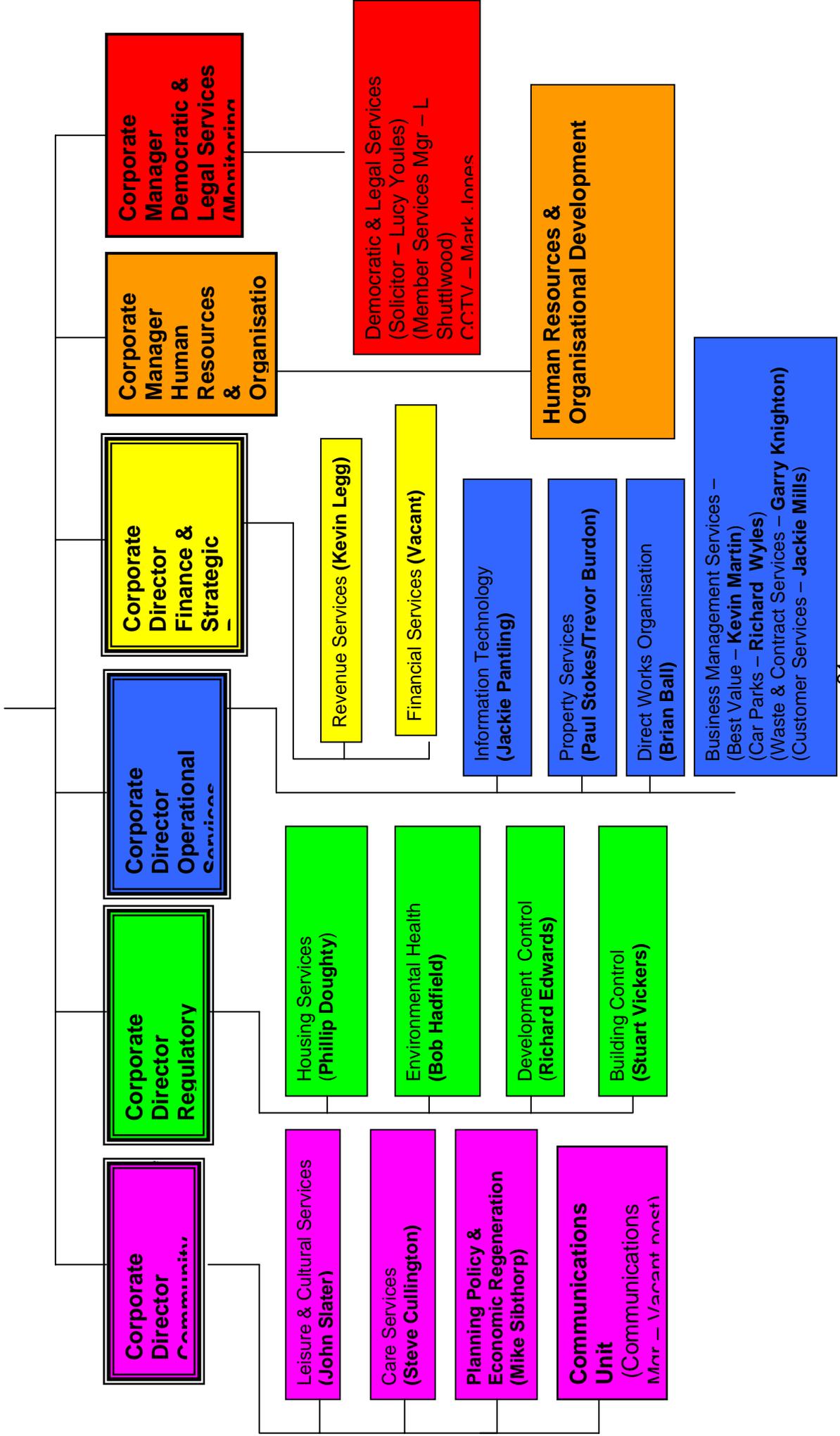
NO	OBJECTIVE	NO	SUB OBJECTIVES	RELEVANT POLICIES SCHEDULES & TERMS OF REFERENCE
1.	<p><b>Strategic Management</b> Make significant visible contributions to the strategic management of your operational areas of responsibility.</p>	1.1	<p>In your area of responsibility achieve the full implementation and continued development of the Council's performance management framework.</p>	<p>Best Value Performance Plan Performance Management Framework Financial Regulations Medium Term Financial Plan</p>
		1.2	<p>In your area of responsibility establish service related strategies that deliver the Council's agreed objectives and sub-objectives and a "customer first" outcome.</p>	<p>Risk Management Policy Community Strategy IEG Statement Customer Charter</p>
		1.3	<p>Through active membership of the Operational Management Team develop operational strategies as required.</p>	<p>Generic Equality Scheme Crime &amp; Disorder Strategy Agenda 21 Strategy PMG Terms of Reference Budget Book Capital Strategy Asset Management Plan Housing Strategy Housing Revenue Account Business Plan Anti-Fraud &amp; Corruption Policy PMG Terms of Reference CMG Terms of Reference Constitution</p>
2.	<p><b>Project Management</b> Achieve the planning and delivery of specific projects as directed.</p>	2.1	<p>Construct Project Implementation Documents to establish projects with full business case argument.</p>	
		2.2	<p>Construct project plans for corporate or service specific projects.</p>	
		2.3	<p>Establish projects using Prince 2 or other agreed methodology as a guide. (Appropriate training will be provided if required).</p>	
		2.4	<p>Act as Project Manager or adopt other project team roles as appropriate for specific projects.</p>	

NO	OBJECTIVE	NO	SUB OBJECTIVES	RELEVANT POLICIES SCHEDULES & TERMS OF REFERENCE
		2.5	Deliver projects in accordance with plans.	
		2.6	Evaluate projects as required.	
3.	<b>Operational Management</b> Achieve a “customer first” approach within your portfolio area.	3.1	Achieve the setting of appropriate work activities through the endorsement/production of service business plans and service delivery plans arising from service related strategies.	Performance Management Framework Risk Management Policy
		3.2	Achieve corporate and service BVPIs and other agreed KPIs appropriate to your area of responsibility.	
		3.3	Achieve operations to agreed quality standards in your area of responsibility.	Customer Charter Local Plan
4.	<b>People Management</b> Achieve a high standard of people management at or exceeding quality standards set by Investors in People and the Council’s people management standards in place from time to time.	4.1	Ensure that the service related input to recruitment processes are of sufficient quality to enable the recruitment of excellent personnel.	Appraisal Scheme Employment Policies (in place from time to time)
		4.2	In your portfolio area ensure that levels of motivation are high, directly reflected by measures of morale and performance.	Performance Management Framework Health & Safety Risk Assessment Manual Risk Management Policy
		4.3	In your portfolio area ensure that the management of development achieves or exceeds the standards set by Investors in People.	
		4.4	<b>Achieve self-development through participation in a relevant CPD programme.</b>	

5.	<b>Resource Management</b> Achieve effective planning, and use of financial and physical resources. Secure resources for planned activity.	5.1 5.2	<p>In your portfolio area ensure that there is a sound business case for resource requests.</p> <p>Achieve agreed budgets through best value use of resources.</p>	<b>Procurement Agreement</b> <b>Financial Regulations</b> <b>Constitution</b>
6.	<b>NO OBJECTIVE</b>  <b>Information Management</b> Achieve effective management of information.	<b>NO SUB OBJECTIVES</b>  6.1 6.2 6.3 6.4	<p>Ensure that there is good and sufficient consultation with appropriate stakeholders.</p> <p>Ensure there is open access to relevant information within your service areas consistent with the requirements of confidentiality and data protection</p> <p>Report on and explain performance indicators for which you are responsible.</p> <p>Establish effective information management and communication systems.</p>	IEG Statement Customer Charter Data Protection Policy Freedom of Information Publication Scheme
7.	<b>Emergency Planning</b>	7.1	<p>Participating as a full member of the on-call rota for Emergency Planning and Business Continuity and meeting the obligations imposed as a result.</p>	

**APPENDIX C SIMPLIFIED VERSION OF CURRENT MANAGEMENT STRUCTURE (BEFORE CREATION OF THE HOUSING TEAM AND NOT SHOWING CURRENT SECONDMENTS)**

**CHIEF EXECUTIVE**  
(Head of Paid Service)



## REPORT TO COUNCIL

REPORT OF: CORPORATE MANAGER – DEMOCRATIC AND LEGAL SERVICES

REPORT NO. DLS45

DATE: 8<sup>th</sup> September 2005

<b>TITLE:</b>	CHANGES TO THE CONSTITUTION – LOCAL CHOICE FUNCTION
<b>FORWARD PLAN ITEM:</b>	NOT RELEVANT
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	NOT RELEVANT
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	POLICY FRAMEWORK AMENDMENT

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	NOT APPLICABLE
<b>CORPORATE PRIORITY:</b>	CORPORATE GOVERNANCE
<b>CRIME AND DISORDER IMPLICATIONS:</b>	NOT RELEVANT
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	THIS REPORT IS PUBLICLY AVAILABLE VIA THE COUNCIL'S WEBSITE – <a href="http://WWW.SOUTHKESTEVEN.GOV.UK">WWW.SOUTHKESTEVEN.GOV.UK</a> UNDER “LOCAL DEMOCRACY – AGENDA AND MINUTES”
<b>BACKGROUND PAPERS:</b>	THE COUNCIL'S CONSTITUTION AND REPORT NO. DLS42

## **1. INTRODUCTION**

- 1.1 The Constitution and Accounts Committee at its meeting on 26<sup>th</sup> July 2005 considered a report, namely DLS42, which proposed various options regarding the approval by Council of plans and strategies set out in article 4 of the Council's Constitution.
- 1.2 Currently, the Council's Constitution requires not only the adoption of statutory plans and documents recommended by the ODPM but, additionally, a number of other plans and strategies under its local choice function.
- 1.3 The report considered options for amending the requirement for the Council to consider such a large number of policy documents. The arrangements approved at other authorities were also considered in the report and the options considered were:
- That the Constitution remains as it is
  - That the Constitution be amended to transfer some of the local choice documents to Cabinet for adoption
- Or
- That the Constitution be amended to transfer all but the statutory documents to the Cabinet for adoption.

## **2. DETAILS OF THE REPORT**

- 2.1 The current arrangements within article 4 of the Constitution are as follows. The four documents required by statute to be adopted by the Council are:
- Best Value Performance Plan
  - Community Strategy
  - Crime and Disorder Reduction Strategy
  - Plans and strategies which together comprise the Development Plan
- 2.2 Documents recommended by ODPM to be adopted by the Council also include:
- The Council's Corporate Plan (if any)
  - Food Law Enforcement Service Plan
  - The Planning strategy which comprises the Housing Investment Programme

- Local Agenda 21 Strategy

2.3 In addition to these, the Council has also chosen to include in its policy framework a number of other plans and strategies under its local choice function and has considered other such documents over the last 12 months. These include: -

- Economic Development Plan
- Welland Economic Development Strategy
- Housing Strategy
- Tourism Strategy
- Arts Strategy
- Sports Strategy
- Play Strategy
- Cycling Strategy
- Equal Opportunities Policy
- Health and Safety policy
- Data Protection Policy
- Freedom of Information Publication Scheme
- Environmental Health Enforcement Policy
- Regulation of Investigatory Powers Act Policy
- Supporting People Five-year Strategy
- Generic Equality Scheme
- Licensing Policy
- People Management Strategy
- Risk Management Strategy
- Consultation Strategy

### **3. RECOMMENDATION**

3.1 After considering the report and the comments of members of the Committee and another member, the Committee resolved to recommend to the Council that the Constitution is amended to transfer all but the statutory documents to the Cabinet for adoption in the following terms:

#### **Decision**

***That the Constitution and Accounts Committee recommends to Council that Article 4.1(iii) be removed from the Constitution and amends section 2.4 of the Executive Procedure Rules in Part 4 of the Constitution to read as follows:***

***“All reports to the cabinet from any member of the cabinet or an officer on proposals relating to the budget and policy framework must contain details of the nature and extent of consultation with stakeholders and relevant development and scrutiny panels, and the outcome of the consultation. Unless in the case of urgency, the Cabinet will consult with the relevant development and scrutiny panel(s) on the following plans and strategies to be adopted by Cabinet as a matter of local choice:***

- ***Economic Development***
- ***Welland Economic Development Strategy***
- ***Housing Strategy***
- ***Tourism Strategy***
- ***Arts Strategy***
- ***Sports Strategy***
- ***Play Strategy***
- ***Cycling Strategy***
- ***Equal Opportunities Policy***
- ***Health and Safety Policy***
- ***Data Protection Policy***
- ***Freedom of Information Publication Scheme***
- ***Environmental Health Services Enforcement Policy***
- ***Regulation of Investigatory Powers Act Policy***
- ***All other future plans and strategies that feature in the Forward Plan as Policy Framework Proposals not within the Council’s Policy Framework according to Article 4.1 of this Constitution***

***Reports about other matters will set out the details and outcome of consultation where appropriate. The level of consultation required will be appropriate to the nature of the matter under consideration.”***

CONTACT OFFICER: Nick Goddard  
Corporate Manager Democratic and Legal Services

Tel: 01476 406104

## REPORT TO COUNCIL

REPORT OF: CORPORATE MANAGER, DEMOCRATIC AND LEGAL SERVICES

REPORT NO. DLS43

DATE: 8<sup>th</sup> September 2005

<b>TITLE:</b>	AMENDMENTS TO THE CONSTITUTION – DELEGATION TO OFFICERS
<b>FORWARD PLAN ITEM:</b>	N/A
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	N/A
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	N/A

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	N/A
<b>CORPORATE PRIORITY:</b>	CORPORATE GOVERNANCE AND MANAGEMENT OF COUNCIL BUSINESS
<b>CRIME AND DISORDER IMPLICATIONS:</b>	N/A
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	THIS REPORT IS PUBLICLY AVAILABLE VIA THE COUNCIL'S WEBSITE – <a href="http://WWW.SOUTHKESTEVEN.GOV.UK">WWW.SOUTHKESTEVEN.GOV.UK</a> UNDER “LOCAL DEMOCRACY – AGENDA AND MINUTES”
<b>BACKGROUND PAPERS:</b>	THE COUNCIL'S CONSTITUTION

## **1. HEAD OF WASTE AND CONTRACT SERVICES**

### **INTRODUCTION**

- 1.1 Part 3 of the Constitution deals with a list of powers delegated to officers. Due to operational changes concerning the enforcement of fixed penalty tickets for graffiti and fly posting and the introduction of the Anti-Social Behaviour Act 2003 it is necessary to include the Head of Waste and Contract Services as an authorised officer in respect of the issuing of fixed penalty fines/tickets for graffiti and fly posting.
- 1.2 This authority is required in order to undertake joint initiatives with the police regarding this specific type of enforcement.

### **RECOMMENDATIONS**

- 1.3 It is recommended that the Head of Waste and Contract Services be an authorised officer for the purposes of the enforcement of the graffiti and fly posting provisions of the Anti-Social Behaviour Act 2003.
- 1.4 It is further recommended that the Head of Waste and Contract Services be also authorised to designate in writing any other officers that are authorised by the Council to enter premises for these various statutory purposes and also to act in respect of the enforcement of various statutory provisions relating to graffiti and fly posting within the Anti-Social behaviour Act 2003.

## **2. HEAD OF PAID SERVICE**

- 2.1 In light of recent restructures and potential future restructures a review of the scheme of delegation has been undertaken. Accordingly, to ensure the scheme of delegation is kept up to date and fit for purpose, it is recommended that the Head of Paid Service be granted powers to maintain the scheme of delegation and make appropriate arrangements for continual review on a monthly basis as part of the ongoing monitoring arrangements.

### **RECOMMENDATION**

- 2.2 It is recommended that the Head of Paid Service be made responsible for maintaining and updating the scheme of delegation to officers.

## **3. CHIEF EXECUTIVE'S APPRAISAL PANEL**

- 3.1 From reviewing the constitution it has been noted that the Chief Executive's Appraisal Panel has not been specified in Part 3 of the Constitution.
- 3.2 The panel has been constituted since 2001 and has comprised the Leader, Deputy Leader of Council together with the Leaders of the two other major political groups.

- 3.3 This composition was referred to in the Chief Executive's report CEX 267 at the Council meeting on 27<sup>th</sup> January 2005. No change to the membership of the panel was made at that meeting.
- 3.4 **It is therefore reported to Council for information that this panel will now be included in Part 3 of the Constitution.**

Contact Officer:  
N W Goddard  
Corporate Manager Democratic and Legal Services

## REPORT TO COUNCIL

**REPORT OF:** Chief Executive

**REPORT NO.** CEX297

**DATE:** 7th September 2005

<b>TITLE:</b>	<b>Additional Members' Forum, Monday 17th October 2005, 10.00a.m. – 3.30p.m.</b>
<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	<b>Councillor Mrs. Frances Cartwright (Organisational Development)</b>
<b>CORPORATE PRIORITY:</b>	<b>Organisational Development</b>
<b>BACKGROUND PAPERS:</b>	<b>None</b>

### Background

- Following the positive feedback from members after the last member's forum on the 23<sup>rd</sup> June, I have discussed with the group-leaders the option of an additional Forum on Monday the 17<sup>th</sup> October.

The group-leaders were all of the opinion that this would be a very useful way of increasing the participation and involvement of non-executive members and considered a number of options regarding the choice of topics. In recognition of the limitations on the time available for workshops and discussions at the last forum, they proposed that the topics be restricted to two: Communications in the morning and the new Community Strategy in the afternoon.

- I am delighted to be able to inform you that the Council has been successful in securing the services of Ben Page from Mori who will lead the morning session. Ben is not only an extremely experienced and acknowledged national expert in the field of communications but is also an entertaining and stimulating speaker.
- Attached, as an appendix to this report is an agenda for the day and a return slip so that we can make the catering arrangements.

### Recommendation

- That the Council approve an additional members forum on Monday the 17<sup>th</sup> October.

Duncan Kerr  
Chief Executive

**SOUTH KESTEVEN DISTRICT COUNCIL**

**Members Forum on Communications and the Community Strategy**

**Monday the 17<sup>th</sup> October at 10.00 am in the Council Chamber.**

- 10.00 Welcome and Introduction for the Chairman
- 10.10 Key address from Ben Page of Mori
- 11.00 Coffee Break
- 11.15 Workshops to consider particular aspects of communications:
- |            |                                   |
|------------|-----------------------------------|
| Workshop A | Corporate Communications          |
| Workshop B | Communications and Stock Transfer |
| Workshop C | Communications and twin bins      |
- 12.30 Feed-back from workshops
- 13.00 Lunch
- 14.00 Community Strategy - Priority Setting and Action Planning
- 14.30 Workshops for each DSP to consider how they can engage with the LSP on these issues
- 15.00 Tea-break
- 15.15 Feed-back from workshops
- 15.30 Concluding remarks from the Chairman.

.....  
Please return to Viv Wyatt, Chief Executive's Office.

**Members Forum on Communications and the Community Strategy**  
**Monday the 17<sup>th</sup> October at 10.00 am in the Council Chamber.**

Name ..... (Please print)

I am able / unable to attend the above Members' Forum.