



MEETING OF THE RESOURCES DEVELOPMENT AND SCRUTINY PANEL

THURSDAY, 5 APRIL 2007 2.00 PM

PANEL MEMBERS PRESENT

Councillor David Brailsford (note 170 onwards)

Councillor Vic Kerr

Councillor John Kirkman (Chairman)

Councillor Reg Lovelock M.B.E. (Vice-Chairman)

Councillor Andrew Moore (note 170 onwards)

Councillor Gerald Taylor

OFFICERS

Service Manager, Finance and Risk Management

Scrutiny Officer

Scrutiny Support Officer

Service Manager, Human Resources and Organisational Development (notes 166-169)

Democratic and Scrutiny Support Officer

OTHER MEMBERS PRESENT

Councillor Nick Craft (Vice-Chairman, Healthy Environment DSP)

Councillor Jeff Thompson (Chairman, Healthy Environment DSP)

166. APOLOGIES

Apologies for absence were received from Councillors Bryant, Joynson, Martin-Mayhew, Nadarajah and M. Taylor.

167. DECLARATIONS OF INTEREST

No declarations were made.

168. ACTION NOTES

Noted.

169. SK116 - UPDATE - PERCENTAGE OF PERFORMANCE AND DEVELOPMENT REVIEWS COMPLETED

- 65% of 2006/7 PDRs had been completed as of 5th April 2007. Of the PDRs that had not been completed, most had been scheduled following a push by service managers and corporate heads.

- Hotspots of outstanding PDRs had been identified. These coincided with changes to the staff structure and the appointment of new managers. One service area represented a hotspot because it did not have a service manager.
- The Strategic Management Team had requested weekly updates on the percentage of PDRs that had been completed.
- Concerns were expressed that managers could complete a single PDR between April and June and that would satisfy targets for 2006/7 and 2007/8.
- PDRs needed to be completed prior to budget preparation period. This would enable more effective budgeting.

CONCLUSION:

That the relevant scrutiny body appointed after the elections in May 2007 should continue to monitor the completion of PDRs.

170. CAPITAL STRATEGY

- The draft Capital Strategy for 2007-10 was approved for consultation on 2nd April 2007 by Cabinet.
- The Capital Strategy should be closely linked with the asset management plan, the procurement strategy and the treasury management strategy.
- The Capital Strategy would provide a framework for the monitoring of the capital programme, taking into account revenue implications. It would inform bidding for additional capital resources and contribute to the Council's approach to PFI/PPP.
- The strategy should state the Council's processes for option appraisal of capital projects, prioritisation of capital projects, monitoring and evaluating approved schemes and the corporate review of existing priorities.
- An options appraisal of all assets was to be carried out. The value of assets was based on the valuation of the District Valuer. Difficulties over the compatibility of software which kept records of all assets had not been resolved.
- An element of flexibility was needed in the capital strategy. While the document was primarily strategic, adjustments to ensure project delivery could be needed.
- Corporate heads and service managers were responsible for the delivery of capital projects. Regular reports were provided by the Capital Asset Management Group (CAMG). No DSP had scrutinised any decision made by the CAMG.
- The backlog of maintenance and major repairs included

work on the Deepings Leisure Centre. In the draft Capital Strategy, work considered essential by a DSP working group in conjunction with the Healthy Environment Portfolio Holder, was subject to the resolution of lease arrangements.

- The County Council had capped the contribution they made for the use of the Deepings Leisure Centre. Discussions had been at officer level. There were indications that the County Council would not be prepared to enter a shared usage agreement.
- The scoring matrix by which capital schemes were assessed was attached to the draft strategy. Project scoring was done by officers and scrutinised by the CAMG. Some concern was raised over the lack of Member involvement, however, it was the responsibility of the CAMG to deliver the council's capital programme within the parameters set by the Council.

CONCLUSION:

- 1. To amend the draft Capital Strategy to incorporate:**
 - ***The appropriate scrutiny body should receive quarterly reports from the Capital Asset Management Group to ensure that scoring processes are robust.***
 - ***That in the "Major repairs and maintenance position" on page 13 of the draft capital strategy, the words "subject to resolution of lease arrangements" should be removed from the Deepings Leisure Centre item.***
 - ***That the Audit Committee should consider whether the scoring matrix for capital projects is fit for purpose.***
- 2. The appropriate scrutiny body following the elections in May 2007 should ensure that different pieces of software containing details of the Council's assets are compatible with one another.**
- 3. That there should be Member involvement at county and district levels on the possibility of a shared usage agreement for the Deepings leisure centre and funding for the county council's use of the facility.**
- 4. That the district council should consider reducing the county council's access to the facility if a satisfactory agreement is not reached on the chance to share agreement or funding from the county council.**

JT to complete rec form to Cabinet

JT to complete rec form to Portfolio Holder

JT to complete rec form to Cabinet

171. SPECIAL EXPENSE AREAS

- A briefing note on Special Expense Areas (SEAs) summarising their history, a breakdown of items included in each SEA and their financial position was circulated at the meeting.
- A consultant had been appointed to look into SEAs; the report was expected by the end of April 2007. Any review would need to be on a strategic level so that the council were in a position to recoup all costs. Members expressed concern at the need to appoint consultants for this work.
- The level of under recovery from SEAs had increased because the costs being charged to the SEAs were rising at a greater rate than the number of Band D properties against which they could be charged.
- As parish precepts were not included in capping regulations it would be possible in some circumstances for the shortfall to be met through the parish precept and the subsequent billing of town councils by the district council. This would not alleviate problems in Grantham and Langtoft.

CONCLUSIONS:

1. ***Any consultation work should be approved by committee members to assess whether it is best value based on staff expertise.*** JT to complete rec form to Cabinet
2. ***The issue of under recovery from special expense areas should be scrutinised by the relevant body after the election in May 2007.***
3. ***Full deficit recovery should be from special expense areas.***
4. ***To recommend to the Chief Executive that the responsibility for special expense areas should fall to one strategic director.*** JT to forward to DK. DK to implement

The Chairman thanked Members of the Panel for their input throughout the year and officers for the work that had been done in support of the Panel. The Vice-Chairman expressed the gratitude of the Panel for the Chairman's efforts during the year.

172. CLOSE OF MEETING

The meeting closed at 15:52.