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11th June 2014

To: All Councillors

As a Member of the **Council**, please treat this as your summons to attend the meeting on **Thursday 19th June 2014 at 6.00pm in the Council Chamber, Town Hall, Matlock.**

Yours sincerely

A handwritten signature in black ink, appearing to be 'Sandra Lamb', written in a cursive style.

Sandra Lamb
Head of Corporate Services

AGENDA

1. APOLOGIES

Please advise Democratic Services on 01629 761133 or e-mail committee@derbyshiredales.gov.uk of any apologies for absence.

2. PRESENTATION

"The Great Escape Project" by Derbyshire Dales CVS – Neil Moulden

3. PUBLIC PARTICIPATION

To give members of the public who have given notice an opportunity to ask questions, present petitions or air their views.

4. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING

29th May 2014.

5. INTERESTS

Members are required to declare the existence and nature of any interests they may have in subsequent agenda items in accordance with the District Council's Code of Conduct. Those interests are matters that relate to money or that which can be valued in money, affecting the Member her/his partner, extended family and close friends. Interests that become apparent at a later stage in the proceedings may be declared at that time.

6. CHAIRMANS ANNOUNCEMENTS

Announcements of the Chairman of the District of Derbyshire Dales.

7. COMMITTEES

To receive the non-exempt minutes of the Committees shown below:

Committee	Date
Non Exempt Minutes to be Received	
Central & Northern Area Planning Committee	6 May 2014
Southern Area Planning Committee	13 May 2014
Environment Committee	15 May 2014

8. QUESTIONS (RULE OF PROCEDURE 15)

Questions if any from Members who have given notice.

Page Nos.

9. GENERAL FUND OUT-TURN 2013/14

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To advise Members of the final expenditure for 2013/14 and to recommend that the under-spending be transferred to reserves.

10. CAPITAL PROGRAMME OUT-TURN 2013/2014 – ESTIMATES 2014/2015 TO 2017/2018

10 - 16

To inform members of the Out-turn of the 2013/14 programme and to determine the revised capital programme and financing arrangements for 2014/15 and also outlining the Capital Proposal Programmes for 2015/16 and 2017/18

11. TREASURY MANAGEMENT AND TREASURY MANAGEMENT POLICY STATEMENT

17 - 25

To inform members of Treasury Management activities during the 2013/2014 financial year and update the Treasury Management Policy Statement where appropriate.

12. REVIEW OF DEVELOPMENT MANAGEMENT

26 - 40

To inform members of the basis, scope and methodology for a comprehensive review of the District Council's Development Management Function and ask for approval to engage Planning Officers Society Enterprises to carry out an independent appraisal of the Service.

13. APPOINTMENT OF OUTSIDE BODIES

41 - 44

To invite nominations for representatives to serve on the Dales Community Connect Forum of Dales Housing and Sheffield City Region's Joint Overview and Scrutiny Committee

14. SEALING OF DOCUMENTS

To authorise that the Common Seal of the Council be affixed to those documents, if any, required to complete transactions undertaken by Committees or by way of delegated authority to others, since the last meeting of the Council

NOTE

For further information about this Agenda or on "Public Participation" call 01629 761300 or e-mail committee@derbyshiredales.gov.uk

COUNCIL
19 JUNE 2014

Report of the Chief Executive

GENERAL FUND OUT-TURN 2013/14

SUMMARY

This report advises Members of the final expenditure for 2013/14 and recommends that the under-spending be transferred to reserves.

RECOMMENDATION

1. That Members note the General Fund under-spending of £753,624 in 2013/14.
2. That the General Fund under-spending of £753,624 be transferred to the following reserves:

- Technology Renewals	£50,000
- Property Repairs Reserve	£150,000
- Economic Development Reserve	£300,000
- Replacement Car Parking Machines Reserve	£250,000
- General Reserve	£3,624

WARDS AFFECTED

Not applicable

STRATEGIC LINK

The Council's financial position is taken into account in determining all the priorities in the Corporate Plan.

The financial position as at 31st March 2014 will be reflected in the Medium-Term Financial Plan and in the Revenue Spending Proposals for 2015/16 that will be presented in early 2015.

1. REPORT

- 1.1 The final accounts for 2013/14 show an under-spending on the General Fund of £763,264 when comparing the final expenditure with the revised budget. The main variations are summarised in Appendix 1 for Members' information. The most significant variations are:-

	£000
Increased income from business rates	232
Increased income from planning application fees	168
Savings in employee costs	147
Savings on waste management	115

- 1.2. When the revised budget for 2013/14 was approved, there was an estimated surplus on the General Fund of £166 to be transferred to the General Reserve. The under-spending of £753,624 results in an overall surplus on the General Fund of £753,790.

1.3 The overall position on revenue reserves is shown at Appendix 2. A review of reserve balances as at 31 March 2014 has shown that some reserves are insufficient to meet future requirements.

1.4 It is therefore suggested that the under-spending of £753,624 be allocated as follows:-

- Technology Renewals Reserve	£50,000
- Property Repairs Reserve	£150,000
- Economic Development Reserve	£300,000
- Car parking Machine Replacement Reserve	£250,000
- General Reserve	<u>£3,624</u>
	<u>£753,624</u>

1.5 The position in respect of the General Reserve is then as follows:

	£000s
General Reserve Balance at 1 st April 2013	984
General Fund Surplus 2013/14	<u>4</u>
General Reserve Balance at 31 st March 2014	<u>988</u>

In addition, the Council has a further General Fund Balance of £1 million, which is set aside to provide working capital and for emergency purposes.

1.6 It is considered that approximately £600,000 of the underspend will continue in future years. This has been reflected in an updated medium – term financial plan, which is shown at Appendix 3. It is now envisaged that the Council will be able to deliver balanced budgets in 2015/16 and 2016/17, and that the overall savings requirement over the next five years to 2019/20 is approximately £1.35 million, assuming an ongoing annual 10% reduction in the Government’s Settlement Funding Assessment.

1.7 The recommendations of Council will be reflected in the Statement of Accounts, which must be signed by the Head of Resources before 30th June. The accounts are then subject to an independent audit, carried out by the KPMG. The audited Statement of Accounts will be presented for approval at the Corporate Committee meeting to be held on 18th September 2014.

2. RISK ASSESSMENT

2.1 Legal

There are no legal risks arising from this report.

2.2 Financial

The recommended transfer to reserves will help mitigate future financial risks that the Council may face. Therefore the financial risk arising from this report is low.

3 OTHER CONSIDERATIONS

In preparing this report the relevance of the following factors is also been considered prevention of crime and disorder, equality of opportunity, environmental health, legal and human rights, financial personal and property considerations.

4 CONTACT INFORMATION

Phil Colledge, Head of Resources

Telephone: 01629 761203; E-mail: phil.colledge@derbyshiredales.gov.uk

Karen Henriksen, Accountancy and Exchequer Manager

Telephone: 01629 761284; E-mail: karen.henriksen@derbyshiredales.gov.uk

5 BACKGROUND PAPERS

None

6 ATTACHMENTS

Appendix 1 – Analysis of General Fund Underspend 2013/14

Appendix 2 – Summary of Revenue Balances, Provisions and Earmarked Reserves as at
31st March, 2014

Appendix 3 – Medium Term Financial Plan

ANALYSIS OF GENERAL FUND UNDERSPEND 2013/14

	£000's	£000's
Major Variances:		
Expenditure higher than expected:		
General repairs	23	
Impairment of benefit overpayments	21	
Settlement of legal claim	20	
Purchase of containers for recycling (offset by additional income)	26	
	<hr/>	90
Expenditure less than expected:		
Salaries, wages & other employee costs	(147)	
Waste management payments to contractor	(59)	
Waste management composting gate fees	(33)	
Electricity	(48)	
Maintenance of computer equipment	(44)	
	<hr/>	(331)
Income higher than anticipated:		
Bakewell Agricultural Business Centre commission	(17)	
Retained business rates	(232)	
Recycling credits	(49)	
Planning application fees	(168)	
	<hr/>	(466)
Other Minor Variances		(47)
		<hr/>
		<u>(754)</u>

SUMMARY OF REVENUE BALANCES, PROVISIONS AND EARMARKED RESERVES

	Balance at 31st. March 2014 £000s
<u>Revenue Balances</u>	
General Fund Working Balance**	1,000
General Reserve*	988
Building Control	-70
Other Minor Balances	1
	1,919
<u>Provisions</u>	
Insurances	52
	52
<u>Earmarked Reserves</u>	
Bakewell A.B.C. Repairs	14
Capital Improvements	57
Carsington Improvements	36
Committed Expenditure	224
Direct Revenue Financing	1,463
Economic Development *	376
Elections	94
Insurances	483
Job Evaluation	383
Invest to Save	165
Local Plan	64
Member / Officer Indemnity	25
Property Repairs *	254
Replacement Car Parking Machines *	250
Technology Renewals *	544
Vehicle Renewals	642
Wheeled Bins	151
	5,225
TOTAL	7,196

* Includes the transfers to reserves suggested in paragraph 1.4 of this report totalling £753,624.

** The General Fund Working Balance is specified as a “controlled reserve” for the purposes of Section 26 of the Local Government Act 2003.

MEDIUM TERM FINANCIAL PLAN

	Note	Estimate 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20
Existing Spending Level		£000s 8,893	£000s 8,721	£000s 8,394	£000s 8,521	£000s 8,750	£000s 8,960
Future Commitments / savings							
Ongoing underspends from 2013/14 outturn		(600)					
Planning enquiries		43	(43)				
Resources Section restructuring		(40)					
Rental of office space, Matlock Town Hall		(25)					
Risk management consultancy		10		(10)			
Reduction in Benefits Administration Subsidy			50	50	50	25	25
Inflation – pay awards	1		136	136	136	136	136
Inflation - general	2		48	40	43	49	54
Reduction in support for Parish tax base			(24)	(24)			
Pensions past service deficit recovery			11	20			
Reduction in salaries charges to capital			28				
Administration service review			(63)	(104)			
“One – off” transfer to Property Repairs reserve		100	(100)				
“One – off” transfer to Vehicle Renewals reserve		290	(290)				
“One – off” transfer to Office Technology reserve		50	(50)				
Transfer from Job Evaluation reserve			(54)				
Minimum revenue provision for debt repayment			1	1			
Reduction in net investment interest			23	18			
Total Spending Requirements		8,721	8,394	8,521	8,750	8,960	9,175
Financed by:							
Revenue Support Grant	3	(1,525)	(1,010)	(717)	(449)	(205)	0
Retained Business Rates		(1,377)	(1,415)	(1,450)	(1,487)	(1,524)	(1,562)
Homelessness Prevention Grant		(139)	(138)	(138)	(138)	(138)	(138)
Council Tax Freeze Grant 2011/12		(141)	(141)	(141)	(141)	(141)	(141)
Council Tax Freeze Grant 2013/14		(57)	(57)	(57)	(57)	(57)	(57)
Council Tax Freeze Grant 2014/15		(57)	(57)	(57)	(57)	(57)	(57)
Council Tax Freeze Grant 2015/16		(57)	(57)	(57)	(57)	(57)	(57)
Rural Services Delivery Grant		(57)	(57)	(57)	(57)	(57)	(57)
Total Settlement Funding Assessment		(3,353)	(2,932)	(2,674)	(2,443)	(2,236)	(2,069)
New Homes Bonus – 2011/12 Allocation		(169)	(169)	(169)			
New Homes Bonus – 2012/13 Allocation		(147)	(147)	(147)	(147)		
New Homes Bonus – 2013/14 Allocation		(219)	(219)	(219)	(219)	(219)	
New Homes Bonus – 2014/15 Allocation		(160)	(160)	(160)	(160)	(160)	(160)
New Homes Bonus – Adjustment Grant							
Total New Homes Bonus	4	(695)	(695)	(695)	(526)	(379)	(160)
Financing from Council Tax	5	(5,285)	(5,285)	(5,285)	(5,388)	(5,493)	(5,600)
Total Income		(9,333)	(8,912)	(8,654)	(8,357)	(8,108)	(7,829)
(SURPLUS) / CORPORATE SAVINGS TARGET		(612)	(518)	(133)	393	852	1,346

Notes

1. Assumes pay awards of 1% in 2014/15 and 2% in 2015/16 to 2019/20
2. General inflation assumed at 2.5% in 2014/15 to 2019/20
3. Assumes a 10% reduction in Settlement Funding Assessment from 2016/17 to 2019/20
4. No additional award of New Homes Bonus is assumed after 2014/15
5. Assumes Council Tax will be frozen in 2015/16 and 2016/17, and will increase by 1.95% per year in 2017/18 to 2019/20

COUNCIL MEETING
19TH June 2014

Report of the Chief Executive

CAPITAL PROGRAMME OUT-TURN 2013/2014 – ESTIMATES 2014/2015 TO 2017/2018

SUMMARY

This report:

- Informs members of the out-turn of the 2013/2014 Capital Programme
- Determines the revised Capital Programme and financing arrangements for 2014/2015
- Outlines the Capital Programme proposals for 2015/2016 to 2017/2018

RECOMMENDATION

1. That the out-turn of the Capital Programme for 2013/2014 in the sum of £1,643,903 be noted and approved.
2. That the revised Capital Programme and financing arrangements for 2014/2015 in the sum £3,590,774 be noted and approved.
3. That the revised Capital Programme proposals for 2015/2016 to 2017/2018 as detailed in Appendix 1 be noted.

WARDS AFFECTED

All

STRATEGIC LINK

The Council's Capital Programme takes into account all the priorities and targets within the Corporate Plan and these are identified in the Capital Strategy.

1 REPORT

1.1 OUT-TURN 2013/2014

The detailed out-turn of the 2013/2014 Capital Programme in the sum of £1,643,903 is shown in Appendix 1. This compares with the revised estimate of £2,453,424 an underspending of £809,521.

There are five schemes with slippage of £50,000 or more:

	£000
Bakewell ABC – Noise and Drainage	166
Ashbourne Leisure Centre – Changing Rooms	102
Social Housing Grant – Youlgreave	80
Social Housing Grant – Bonsall	50
Repair/resurface car park Co op roof Matlock	50

The total expenditure for 2013/2014 was £1,643,903, which has been financed as follows:

	£
Grants	267,118
Capital Receipts	365,805
Funds/Reserves	1,010,980
	<hr/>
	1,643,903
	<hr/>

1.2 i. REVISED CAPITAL PROGRAMME 2014/2015

The revised General Fund Capital Programme for 2014/2015 is summarised as follows:

Priority	2014/2015 Recommended Capital Programme
	£
Housing which meets local needs	925,558
A clean, green and prosperous Dales	1,400,972
Safe and healthy communities	664,165
Other	571,703
Capital Salaries and Support Service Charges	28,376
	<hr/>
	3,590,774

The spending proposals for 2014/2015 total £3,590,774, which includes salaries and support services charges of £28,376 and is the aggregate of the estimated scheme costs. All estimated grants and contributions are dealt with as part of the financing arrangements. The major items in the General Fund spending proposals where expenditure in 2014/2015 is estimated to be in excess of £250,000 are:

	£000
Improvement Grants – Disabled Facilities	280
Ashbourne Leisure Centre Changing Rooms	374
Social Housing Grants	605
Repayment of Derelict Land Grants	637

ii. Financing Arrangements 2014/2015

The overall financing package that is proposed for the revised 2014/2015 Capital Programme is as follows:

	£	£
Capital Receipts		2,340,200
Grants and Contributions:		
Housing – Disabled Facilities Grants	184,482	
Miscellaneous Grants	23,102	
Ashbourne Leisure Centre Changing Rooms	175,000	
		382,584
Internal Funds:		
Carsington Fund	19,768	
Office Technology Reserve	8,995	
Vehicle Renewal Fund	201,000	
Unapplied Revenue Grants Reserve	169,000	
Replacement of Car Parking Machines Reserve	212,000	
Direct Revenue Financing Reserve	257,227	
		867,990
		3,590,774

2 RISK ASSESSMENT

2.1 Legal

Contained within the body of the report.

2.2 Financial

There is adequate funding for the revised capital programme for 2014/2015.

3 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4 CONTACT INFORMATION

For further information contact:
Paul Hambleton 01629 761282 or
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5 BACKGROUND PAPERS

Final Account Working Papers Held in Accountancy

6 ATTACHMENTS

Appendix 1 – Capital Programme 2013/14 – 2017/18

CAPITAL
PROGRAMME
2013/14 to
2017/18

APPENDIX 1

SCHEMES LISTED BY CORPORATE PRIORITY	REV EST 2013/14 JAN	OUTTURN 2013/14	ESTIMATE 2014/15	REV EST 2014/15	ESTIMATE 2015/16	ESTIMATE 2016/17	ESTIMATE 2017/18	TOTAL 2014/2018
	£	£	£	£	£	£	£	£
<i>Housing which meets local needs</i> FUEL POVERTY PROJECT	67,088	70,401	0	0	0	0	0	0
IMPROVEMENT GRANTS								
Decent Homes	25,342	20,007	0	0	0	0	0	0
Disabled Facilities Grants	280,000	213,926	280,000	280,000	250,000	260,000	270,000	1,060,000
PRIVATE SECTOR HOUSE CONDITIONS SURVEY	0	0	45,000	0	0	0	0	0
PROVISION OF TRAVELLER SITE								
Temporary	9,774	12,574	0	0	0	0	0	0
Permanent	tbd	0	tbd	tbd	0	0	0	0
RETAINED SEWERS Small Sewerage Works	40,558	821	0	40,558	0	0	0	40,558
SOCIAL HOUSING GRANT								
Wash Green Wirksworth	50,000	50,000	0	0	0	0	0	0
Bonsall	50,000	0	50,000	0	50,000	50,000	0	100,000
Darley Dale Church Road	362,000	362,000	0	0	0	0	0	0
Darley Dale - Gracelands	14,000	14,000	0	0	0	0	0	0
Darley Dale Primary	7,000	7,000	0	0	0	0	0	0
Longford	0	0	75,000	0	75,000	0	0	75,000
Stoney Middleton	0	0	80,000	0	80,000	0	0	80,000
Youlgreave	80,000	0	80,000	314,000	0	0	0	314,000
Ashbourne - Alms Houses	0	0	14,000	14,000	0	0	0	14,000
Bakewell Lady Manners School	0	0	142,000	142,000	100,000	0	0	242,000
Litton	0	0	0	0	80,000	0	0	80,000
Tideswell Sherwood Road	0	0	90,000	0	0	0	0	0
Wirksworth Cromford Road	0	0	165,000	135,000	138,000	0	0	273,000
Taddington	0	0	0	0	80,000	0	0	80,000
Hathersage	0	0	0	0	0	200,000	0	200,000
Ashford	0	0	0	0	0	80,000	0	80,000

Cromford / Matlock Bath	0	0	0	0	50,000	50,000	0	100,000
Winster	0	0	0	0	0	80,000	0	80,000
Sub Total - Housing which meets local needs	985,762	750,729	1,021,000	925,558	903,000	720,000	270,000	2,818,558
<u>A clean green and prosperous Dales</u>								
BAKEWELL AGRICULTURAL BUSINESS CENTRE Noise, Drainage and Other Works	165,929	0	0	88,300	0	0	0	88,300
Trade Effluent Discharge Improvements	52,908	35,506	0	95,590	0	0	0	95,590
Wash Down Pumps	17,242	17,242	0	0	0	0	0	0
BAKEWELL ROAD MATLOCK REGENERATION	22,797	597	0	22,200	0	0	0	22,200
CAR PARKS Ashbourne Market Place - Sett Replacement	2,000	0	3,000	5,000	0	0	0	5,000
Bakewell ABC	15,000	10,169	5,000	18,000	5,000	5,000	5,000	33,000
Bakewell ABC Parking Grid Extension	0	0	150,000	150,000	0	0	0	150,000
Planned Improvements	39,332	0	0	39,332	0	0	0	39,332
Matlock - Repair / Resurface Roof Co-op Car Park	50,000	559	50,000	100,000	123,250	0	0	223,250
Replacement of Pay and Display Ticket Machines	0	0	0	212,000	0	0	0	212,000
INDUSTRIAL DEVELOPMENT Repayment of DLG Rowsley	0	0	303,000	303,000	0	0	0	303,000
Repayment of DLG Clifton Road Ashbourne	0	0	334,000	334,000	0	0	0	334,000
PLANNING CONSERVATION / ENHANCEMENT GRANTS Partnership Grants	7,040	2,990	11,000	15,050	5,500	5,500	5,500	31,550
RURAL CONVENIENCES	31,652	46,933	0	18,500	10,000	0	0	28,500
TOWN CENTRE CONVENIENCES	17,496	20,118	0	0	0	0	0	0
Sub Total - A clean, green and prosperous Dales	421,396	134,114	856,000	1,400,972	143,750	10,500	10,500	1,565,722
<u>Safe and healthy communities</u>								
ARC LEISURE MATLOCK Construction	58,653	61,074	0	0	0	0	0	0
ASHBOURNE LEISURE CENTRE Floor Replacement	7,768	7,768	0	0	0	0	0	0

Roof Access Walkway	12,000	11,164	0	0	0	0	0	0
Changing Rooms	130,000	32,628	272,000	374,070	0	0	0	374,070
BAKEWELL SWIMMING POOL								
Heat Exchanger	9,000	8,120	0	0	0	0	0	0
COMMUNITY SAFETY INITIATIVES	5,984	5,407	0	0	0	0	0	0
DISABLED FACILITIES PUBLIC BUILDINGS								
Bakewell Pavilion	20,000	12,666	0	8,823	0	0	0	8,823
FLOOD ALLEVIATION								
Birchover	1,950	665	0	1,285	0	0	0	1,285
Stoney Middleton - Coomsdale	1,500	0	0	1,500	0	0	0	1,500
PARKS and OPEN SPACES								
Aiming High	3,654	4,075	0	0	0	0	0	0
Ashbourne - Memorial Pavilion	0	0	22,000	0	22,000	0	0	22,000
Ashbourne Park Partnership Funding	0	0	27,400	0	27,400	0	0	27,400
Matlock Hall Leys Park - Paddling Pool	11,902	11,902	0	0	0	0	0	0
Matlock Bath - Jubilee Bridge	30,000	8,466	220,000	243,062	0	0	0	243,062
Wirksworth Gorsey Bank Phase 2	24,094	24,481	0	0	0	0	0	0
Wirksworth Fanny Shaw Playing Field Improvements	34,000	744	0	35,425	0	0	0	35,425
Dimple Play Park - Matlock	20,000	20,000	0	0	0	0	0	0
Sub Total - Safe and healthy communities	370,505	209,160	541,400	664,165	49,400	0	0	713,565
<u>Other</u>								
BURIALS								
Hartington Burial Ground	5,000	0	0	0	0	0	0	0
Matlock Churchyard - Retaining Wall	175,000	191,834	125,000	112,157	0	0	0	112,157
CARSINGTON FUND GRANTS	38,000	33,232	15,000	19,768	16,044	0	0	35,812
DEPOTS								
Water Hydrant and Foul Sewer Northwood		0	0	20,000	0	0	0	20,000
FIXED WIRE TESTING	5,885	0	0	5,885	0	0	0	5,885
IT STRATEGY								
Electoral Registration	0	0	0	7,677	0	0	0	7,677
Financial Information System	12,325	14,825	0	0	0	0	0	0
Server Replacement	8,995	0	0	8,995	0	0	0	8,995
Virtual Desktop	53,000	30,227	0	22,773	0	0	0	22,773
MISCELLANEOUS	0	0	0	20,000	30,000	30,000	30,000	110,000

GRANTS								
Village Car Parking	0	0	15,000	10,000	0	0	0	10,000
Play Development Fund	15,000	8,000	15,000	0	0	0	0	0
Village Halls	11,600	11,495	20,000	0	0	0	0	0
PUBLIC OFFICES								
Matlock Town Hall - Boilers	77,000	44,521	0	33,448	0	0	0	33,448
Matlock Town Hall - Refurbishment CAB	27,950	29,329	0	0	0	0	0	0
Matlock Town Hall - Roof	0	0	110,000	110,000	0	0	0	110,000
VEHICLES	219,466	186,437	225,000	201,000	188,000	647,000	226,800	1,262,800
Sub Total - Other	649,221	549,900	525,000	571,703	234,044	677,000	256,800	1,739,547
CAPITAL SALARIES	26,540	0	28,376	28,376	0	0	0	28,376
	26,540	0	28,376	28,376	0	0	0	28,376
	2,453,424	1,643,903	2,971,776	3,590,774	1,330,194	1,407,500	537,300	6,865,768

COUNCIL

19th June 2014

Report of the Chief Executive

TREASURY MANAGEMENT AND TREASURY MANAGEMENT POLICY STATEMENT

SUMMARY

To inform members of Treasury Management activities during the 2013/2014 financial year and update the Treasury Management Policy Statement where appropriate.

RECOMMENDATION

That Treasury Management activities for 2013/2014 be noted and approved.

WARDS AFFECTED

All

STRATEGIC LINK

The Council's Treasury Management Strategy contributes to the Council achieving all its priorities and objectives.

1. REPORT

1.1 TREASURY MANAGEMENT ANNUAL REPORT

1.1.1 Background and Introduction

The Treasury Management function of the Council is to enable the efficient investment of surplus fund on a daily basis. The objective is to maximise returns whilst avoiding risks. The CIPFA Code of Practice for Treasury Management in the Public Services regulates this function by setting out good practice.

The CIPFA Code of Practice for Treasury Management in the Public Services requires that, as a minimum, the following is reported to Full Council: an annual report on the performance of the treasury management function; the effects of decisions taken; the transactions executed in the past year and any circumstances of non-compliance with the Treasury Management Policy Statement.

1.1.2 Borrowing Activity for the year ended 31 March 2014

i. Temporary Loans

Temporary loans represent short-term funds borrowed to manage the Council's day-to-day financial activities. Transactions on short term loans during the year are shown below:

Lender	Balance B/Fwd 01/04/2013 £	Repaid 2013/14 £	Accrued 2013/14	Balance C/Fwd 31/3/2014 £
Ernest Bailey Charity	150,000.00	0.00	0.00	150,000.00
J Tomlinson Ltd	10,000.00	(10,000.00)	0.00	0.00
Hulland Ward Parish Council	9,000.00	(9,000.00)	0.00	0.00
PWLB Accrued Interest	5,510.00	(5,510.00)	5,510.00	5,510.00
Total	174,510.00	(24,510.00)	5,510.00	155,510.00

The largest amount outstanding at any one time in 2013/2014 was £174,510, (2012/13 £174,510).

Any accrued interest is added to the carrying amount of the loan. The PWLB accrued interest is, therefore, shown as short term borrowing.

ii Long Term Loans

No long term loans were borrowed by the Council in 2013/14.

1.1.3 Lending Activity for the Year Ending 31 March 2014

i. Temporary Loans

Any surplus cash from the Council's day-to-day activities is invested, on a short-term basis, in order to generate interest receipts. Transactions for 2013/2014 are shown below:

	£'000s	£'000s	Appendix Reference
Loans Outstanding at 1 April 2013	0		
Add: Accrued Interest 2012/13	0		
Add: SIBA balance 1 April 2013	2,050		1A
Add: 30 Day Notice Account Balance 1 April 2013	250		1A
Add Investments made in 2013/14	37,100		1B
		39,400	
Less: Investments repaid in 2013/14	(37,100)		1C
Less: Accrued Interest received in 2013/14		0	
		(37,100)	
Change in SIBA Balance		1085	1D
Change in 30 Day Notice Account Balance		(0)	1D
Loans Outstanding at 31 March 2014		3,385	1E

See Appendices 1A, 1B, 1C and 1D

The investments made in 2013/2014 totalled £37,100,000 and comprised 33 separate transactions ranging from £1,000,000 to £2,000,000. These are detailed in Appendix 1. The largest amount outstanding at any one time was £5,200,000. Interest rates varied from 0.27% to 0.50%.

The Treasury Management Policy Statement sets out the organisations with which the Council may place its investments. On 10th September 2008 the Council opened a Special Interest Bearing Account (SIBA), with its bankers NatWest. This currently pays account interest at base rate and the Council utilises this account for its short term working capital investments on a daily basis. A further account (30 Day Notice Account) was opened with Nat West on 21st July 2010 to improve cash management and this pays 0.10% above base rate.

See Appendix 1D for the movement on these accounts during the year. An analysis of 2013/2014 investments by borrower, excluding SIBA and 30 Day Notice Account, is shown below:

ii **Temporary Investments 2013/14**

Borrower	£'000s	£'000s	%	No
Building Societies:				
Coventry	22,400		60.38	19
Skipton	7,000		18.87	7
West Bromwich	6,700		18.06	6
National Counties	1,000		2.69	1
		37,100	100.00	33

The average size of investment made in 2013/2014 was £1,124,242 (2012/2013 £1,051,282).

All of the above organisations are included in the approved lending list set out in the Policy.

The Treasury Management Policy Statement limits the aggregate amount that may be placed with any one organisation at any one time. The Council at its meeting on 21 January 2010 increased the limit it would lend to its bankers, National Westminster Bank plc to £5,000,000 and further increased the limit to £6,000,000 on 7 March 2013.

Lending Limits Following Council Meeting of 7 March 2014

Type of Organisation	Approved Limit £000's	Maximum Placed 2013/14	
		Amount £000s	Organisation
National Westminster Bank plc (SIBA + 30 Day Notice A/c)	6,000	5,915	-

Major banks and wholly owned subsidiaries	3,000	-	-
Building Societies with assets in excess of £0.75B	3,000	3,000	Coventry Building Society
Other Local Authorities (including Police and Fire Authorities)	3,000	0	-
Debt Management Account Deposit Facility	Unlimited	0	N/A

1.1.4 Interest Rates

Interest Rates are monitored throughout the financial year and details are shown in Appendix 2.

The UK Clearing Bank's Base Rate was 0.50% for the whole year.

Short-term rates began the year at 0.37% and finished the year at 0.38% (7 day rate). The one year rate started at 1% and finished the year at 0.9%.

The average rate of return for lending in 2013/2014 was calculated to be 0.52% (2012/2013 was 0.7%).

The average rate of interest paid on borrowings was 4.01% (2012/13 was 4.02%).

1.1.5 Use of External Fund Managers and Brokers

The Council used the following brokers:

ICAP Europe Ltd
Tullett Prebon (UK) Ltd
Sterling International Brokers Ltd
Tradition (UK) Ltd

All of these brokers are on the approved list in the Treasury Management Policy Statement.

1.1.6 Officer Comment

It can be seen from the above that:

- I. Funds borrowed were within permitted limits from permitted sources.
- II. Investments were all placed with approved institutions.
- III. The sum invested in any single institution did not exceed permitted limits.
- IV. Four brokers were used, all of whom are included in the Policy Statement.

1.2 TREASURY MANAGEMENT POLICY STATEMENT

1.2.1 Background and Introduction

The Treasury Management Policy Statement was approved in 1993 and has been revised regularly from 1995. The latest update was approved by the Council on 7 March 2013. The Policy adopted by the Council has always aimed to be conservative and prudent with security of funds being key.

It is currently considered that the Treasury Management Policy is sufficient to allow the Council to carry out its Treasury Management Operations, and further amendments are unnecessary.

2. RISK ASSESSMENT

2.1 Legal

The Council has complied with the CIPFA Code of Practice for Treasury Management, therefore the legal risk is considered to be low.

2.2 Financial

The information contained within the body of the report complies with the Treasury Management Policy Statement. The effect of the treasury management transactions has been reflected in the Council's 2013/14 Statement of Accounts to be reported to the Corporate Committee on 18 September 2014.

2.3 Corporate Risk

A risk analysis of the treasury management function has been prepared and is attached at Appendix 3

3. OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4. CONTACT INFORMATION

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5. BACKGROUND PAPERS

Description

Final Accounts 2013/2014

Treasury Management Files – held in Accountancy Section

CIPFA Code of Practice for Treasury Management in the Public Services.

6. ATTACHMENTS

Appendix 1A -Temporary lending brought forward

Appendix 1B – Temporary investments placed

Appendix 1C – Temporary investments repaid

Appendix 1D – Special Interest Bearing Account transactions summary

Appendix 1E – 30 Day Notice Account transactions summary

APPENDIX 1A

TEMPORARY LENDING BROUGHT FORWARD AT 1ST APRIL 2013

LENDER	PRINCIPAL £
Nat West Special Interest Account (SIBA)	2,050,000,179.73
Nat West 30 Day Notice Account	250,027.40
The above figures include accrued interest	
	2,050,250,207.13

APPENDIX 1B

**TEMPORARY LENDING
TEMPORARY INVESTMENTS PLACED
2013/2014**

BORROWER	INTEREST RATE %	PRINCIPAL AMOUNT £	DATE INVESTED	DATE REPAID	BROKER
Coventry Building Society	0.36	1,000,000.00	15/05/2013	20/05/2013	Sterling Brokers Limited
Coventry Building Society	0.37	1,000,000.00	10/06/2013	19/06/2013	ICAP Europe Limited
Coventry Building Society	0.37	1,200,000.00	25/06/2013	05/07/2013	Sterling Brokers Limited
Skipton Building Society	0.30	1,000,000.00	01/07/2013	05/07/2013	Tradition (UK) Limited
Coventry Building Society	0.35	1,000,000.00	03/07/2013	05/07/2013	ICAP Europe Limited
Coventry Building Society	0.37	1,000,000.00	10/07/2013	22/07/2013	Sterling Brokers Limited
Coventry Building Society	0.39	1,000,000.00	25/07/2013	09/08/2013	Tullett Prebon (Europe) Ltd
Coventry Building Society	0.38	1,000,000.00	01/08/2013	09/08/2013	ICAP Europe Limited
Coventry Building Society	0.36	1,000,000.00	15/08/2013	19/08/2013	Sterling Brokers Limited
Skipton Building Society	0.35	1,000,000.00	28/08/2013	18/09/2013	Tradition (UK) Limited
Coventry Building Society	0.39	1,500,000.00	02/09/2013	18/09/2013	ICAP Europe Limited
Coventry Building Society	0.38	1,500,000.00	10/09/2013	18/09/2013	ICAP Europe Limited
West Bromwich Building Society	0.27	1,000,000.00	16/09/2013	19/09/2013	Sterling Brokers Limited
West Bromwich Building Society	0.45	1,000,000.00	25/09/2013	24/10/2013	Tullett Prebon (Europe) Ltd
Coventry Building Society	0.40	1,000,000.00	01/10/2013	24/10/2013	Sterling Brokers Limited
Coventry Building Society	0.39	1,500,000.00	10/10/2013	24/10/2013	Sterling Brokers Limited
Skipton Building Society	0.32	1,000,000.00	15/10/2013	21/10/2013	Tradition (UK) Limited
Coventry Building Society	0.40	1,000,000.00	25/10/2013	19/11/2013	Sterling Brokers Limited
Coventry Building Society	0.40	1,500,000.00	01/11/2013	29/11/2013	Sterling Brokers Limited
Skipton Building Society	0.32	1,000,000.00	11/11/2013	19/11/2013	ICAP Europe Limited
Skipton Building Society	0.35	1,000,000.00	15/11/2013	29/11/2013	Tullett Prebon (Europe) Ltd
Coventry Building Society	0.35	1,200,000.00	25/11/2013	29/11/2013	ICAP Europe Limited
West Bromwich Building Society	0.46	1,200,000.00	02/12/2013	09/01/2014	Sterling Brokers Limited
Skipton Building Society	0.35	1,000,000.00	04/12/2013	19/12/2013	Tradition (UK) Limited
West Bromwich Building Society	0.45	1,000,000.00	10/12/2013	09/01/2014	ICAP Europe Limited
Coventry Building Society	0.35	1,000,000.00	16/12/2013	19/12/2013	Tullett Prebon (Europe) Ltd
Coventry Building Society	0.40	2,000,000.00	19/12/2013	09/01/2014	Sterling Brokers Limited
Coventry Building Society	0.40	1,000,000.00	02/01/2014	20/01/2014	Tullett Prebon (Europe) Ltd
West Bromwich Building Society	0.43	1,500,000.00	10/01/2014	14/02/2014	Sterling Brokers Limited
West Bromwich Building Society	0.43	1,000,000.00	15/01/2014	14/02/2014	ICAP Europe Limited
Skipton Building Society	0.35	1,000,000.00	27/01/2014	14/02/2014	Tradition (UK) Limited
National Countries Building Society	0.50	1,000,000.00	31/01/2014	21/03/2014	Tullett Prebon (Europe) Ltd
Coventry Building Society	0.35	1,000,000.00	19/03/2014	20/03/2014	ICAP Europe Limited
		37,100,000.00			
Accrued Interest		-			
		37,100,000.00			

APPENDIX 1D

SIBA TRANSACTIONS
2013/2014

	£
Balance b/fwd 01/04/2013	2,050,000
Closing balance 31/03/2014	3,135,000
Average daily balance	4,220,000

30 DAY NOTICE ACCOUNT TRANSACTIONS
2013/2014

	£
Balance b/fwd 01/04/2013	250,000
Closing balance 31/03/2014	250,000
Average daily balance	740,000

APPENDIX 1E

TEMPORARY LENDING CARRIED FORWARD AT 31ST MARCH 2014

	LENDER	PRINCIPAL	
		£	
SIBA		3,135,000.00	
30 Day Notice Account		250,000.00	
		3,385,000.00	

COUNCIL

19 June 2014

Report of the Head of Regulatory Expenses

REVIEW OF DEVELOPMENT MANAGEMENT

SUMMARY

This report sets out the basis, scope and methodology for a comprehensive review of the District Council's Development Management Function and asks for approval to engage Planning Officers Society Enterprises to carry out an independent appraisal of the Service.

RECOMMENDATION

1. That the scope and methodology of the review of Development Management are approved.
2. That Planning Officers Society Enterprises are engaged to provide an independent appraisal of the Service as it currently operates as outlined in Appendix 1 to this Report.
3. That the cost of appointing Planning Officers Society Enterprises be initially met from the Invest to Save Reserve, to be recovered through savings identified as part of the service review process.

WARDS AFFECTED

All wards outside of the Peak District National Park.

STRATEGIC LINK

The effective administration of the Development Management Service supports all of the District Council's aims. In particular the review will help to ensure that the District Council continues to provide excellent services.

1 BACKGROUND

- 1.1 The review of the District Council's Development Management Service is one of 3 major reviews scheduled for 2014/15 and provides an opportunity to completely re-focus the delivery of the service as well as securing financial efficiencies.
- 1.2 Development Management is an evolution of the existing Development Control Service and is about the local authority taking a proactive approach to place shaping and positively promoting sustainable development and the overall vision for the area. This evolution requires a move away from the reactive control of development to a more positive role and will require changes in structure and resource allocation, as well as improving customer engagement processes and the ongoing monitoring of the outcomes of development.

2 REPORT

- 2.1 The officer team for the review of discretionary grants was selected by Corporate Management Team and consists of Jon Bradbury (Development Manager) as Review Leader, Paul Wilson (Corporate Director), Tim Braund (Head of Regulatory Services), Ian Brailsford (Business Support Technician), Karen Brough (Customer Service Manager), Isabel Frenzel (Rural Housing Enabler), Amanda Goodwill (Principal Officer – Environmental Health) and Karen Ludditt (Senior Accountant).
- 2.2 In undertaking the Review 3 key questions will be considered: does the Service need to be provided at all; does the Service need to be provided by the District Council; and what level of Service should be provided?
- 2.3 The fundamental purpose of the Review is to consider the effectiveness of the current policies and procedures with a view to:
- Streamlining service provision
 - Rationalising resources
 - Maintaining a good customer experience
 - Improving performance standards in key areas
 - Removing duplication of effort
 - Identifying and implementing service efficiencies
- 2.4 In order to do this it is proposed that the following elements of the Development Management Service will be included in the Review:

Key Theme	Main Components
Service Standards and Customer Care	<ul style="list-style-type: none"> • Review of current performance • Review of current service standards • Customer experience and satisfaction
Pre Application advice	<ul style="list-style-type: none"> • Effectiveness of current guidance and advice to customers • Streamlining Information Requirements • Consistency in validation procedures • Channel shift • Pre-application advice - CAPS recording • Introduction of charges • Provision of tree and landscape advice • Provision of listed building / conservation advice • Website and on-line service delivery
Casework Management and Utilisation of Resources	<ul style="list-style-type: none"> • Validation and registration process and procedures • Electronic Document Management and workflow management • Team structures • Allocation of staff resources • Agile / mobile working • Potential of Local Development Orders
Effective Consultation	<ul style="list-style-type: none"> • Proportionate consultation and engagement – who, when, how

and Engagement	<ul style="list-style-type: none"> • Public Access consultee system – internal and external • Conservation Advisory Forum • Publicity arrangements
Decision Making Processes	<ul style="list-style-type: none"> • The efficiency of decision making processes • Reducing delay in development control – speed v quality • Committee structures • Delegation arrangements • Consistency in decision making • The effective use of ICT systems • s.106 agreement procedures and monitoring
Appeals	<ul style="list-style-type: none"> • Casework management • Allocation of resources
Enforcement, Monitoring and Review	<ul style="list-style-type: none"> • Efficiency and effectiveness of enforcement procedures incl. legal support • Links to Building Control • Links to other Regulatory Services • Development review

- 2.5 To ensure that the Review achieves the best results and is given independent rigour Corporate Management Team considered that Planning Officers Society Enterprise be approached to provide an estimate to undertake consultancy work to identify the strengths and weaknesses of the existing Service, assess how it compares with best practice, examine and compare staff resources and costs, identify potential savings, consider the effectiveness of processes and procedures, and comment upon the suitability of the current management structure.
- 2.6 The estimated cost of undertaking this work has been quoted as £16,560 plus VAT and expenses. Full details of the proposal are attached to this report as Appendix 1.
- 2.7 As with all service reviews, the Development Management Review will need to produce 3 options, all of which should produce efficiency savings. These options should be low, medium and high risk. The review should also aim to move transactions onto the District Council’s website.
- 2.8 It is expected that the first step in the review methodology will be the engagement of Planning Officers Society Enterprises to undertake their consultancy work at which point the in-house Review Team would receive the recommendations and consider how they might be implemented to produce efficiencies and savings, and improve services.
- 2.9 Development Management is a high profile, public facing service and Members will need to be engaged in the review process and the consideration of service options. The precise nature and extent of Member engagement will be determined in the early stages of the review and will be reported back to a subsequent meeting of Committee or Council.

3 RISK ASSESSMENT

Legal

The outcome of the service review will help to identify the options for decision making

that balance the principles of delivering effective and efficient services whilst significantly reducing its costs. The legal risks at this stage are considered to be low.

Financial

Efficiency savings should result from the review, and, therefore, the financial risk is low.

Corporate Risk

The corporate risk associated with undertaking the review is low. However, the purpose of the review is to produce 3 options at low, medium and high risk levels. Depending on the option considered most appropriate the level of corporate risk could therefore be low, medium or high.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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6 BACKGROUND PAPERS

7 ATTACHMENTS

Appendix 1 – POS Enterprises Proposal – Review of development management service



Proposal

Derbyshire Dales District Council Review of development management service

30 May 2014

**POS Enterprises Ltd is the operational arm of the Planning Officers Society.
Registered Office: 20 – 22 Bedford Row, London WC1R 4JS
Registered in England No 6708161**

Derbyshire Dales District Council

Review of development management service

1 The requirement

- 1.1 As part of its planning for the authority, and in response to financial pressures, Derbyshire Dales District Council has decided to carry out a series of service reviews. A review of the development management service is to be completed in 2014/15.
- 1.2 The review will be undertaken in the context of an agreed service review process which has two key elements:
 - asking whether the service needs to be provided at all, considering whether it needs to be delivered by the Council itself or some other agency could be used, and addressing what level of service is needed
 - developing and evaluating three options reflecting different levels of efficiency savings and approaches to service delivery, involving low, medium, and high risk
- 1.3 POS Enterprises is pleased to present this proposal for support to the review, which will provide robust evidence in a focused and time efficient manner and at affordable cost.

2 Why POS Enterprises?

- 2.1 POS Enterprises is the delivery arm of the Planning Officers Society. The Society is a registered charity representing public sector planning professionals. Its objectives include promoting the planning service, support to its member authorities in enhancing service delivery, acting as a centre of evidence, and advocacy to Central Government on behalf of effective planning. All POS Enterprises profits are passed to the Society to assist it in the delivery of its charitable objectives.
- 2.2 POS Enterprises takes forward the Society's public sector ethos and objectives through its services to planning authorities, with a clear focus on helping them to succeed and improve. It is one of the main providers of advisory support to planning authorities in plan making, development management, and allied fields such as the community infrastructure levy. It does not offer ready-made solutions, but tailors support and its outcomes to the particular needs and circumstances of the client.
- 2.3 POS Enterprises associates all have substantial experience of providing advice and support to planning authorities, with a clear focus on what matters most, celebrating strengths but also identifying areas of weakness and providing practical advice on how they can best be overcome.
- 2.5 All lead associates are former senior public sector managers, with many years' experience of delivering high quality professional practice in a corporate environment. They fully understand the sensitivities of delivering a planning service in a performance culture and political environment.
- 2.6 These qualities give confidence that POS Enterprises can provide exemplary service to the Council in carrying out the review, and that its recommendations will be of real and lasting value in developing and enhancing the development control service.

3. The proposed approach

- 3.1 Development management is a mandatory service, and the question of whether it should be provided at all does not arise. However, there are genuine choices available to the Council about the nature and level of service it may aim to deliver in the future, and the means for its delivery. These will bear upon the development of the options.
- 3.2 The service plays a key role in shaping the character and living conditions of an area. It is important to local communities, who take a close interest in individual development proposals and how they are dealt with. This is reflected in a high level of elected member interest, and concern that the service should be effective and address the right issues in the right manner.
- 3.3 It follows that it would be quite inappropriate for outside consultants to attempt to address the whole scope of the planned review, and it is not imagined that the Council would expect this. The judgements about the quality of service to be provided will need to be developed by the officers in consultation with elected members and those they represent, and the options for the future need to be owned and fully understood by the Council's officers so that they can be valid alternatives and properly evaluated.
- 3.4 It is therefore proposed that the primary role of POS Enterprises should be to carry out an independent appraisal of the service as it currently operates, to:
 - identify its strengths and weaknesses
 - assess how it compares with established best practice
 - examine its staff resources and cost relative to comparable authorities and the potential for savings
 - consider the effectiveness of processes and procedures
 - comment upon the suitability of the current management structure
- 3.5 The appraisal will go beyond a mere audit of the present service. It will identify matters which the Council would be advised to address in considering the level of service which might be provided in the future, and any other matters with clear potential for improvement without additional cost. Thus it will provide the review team with a robust foundation upon which to develop the options and evaluate them.
- 3.6 POS Enterprises can then assist the review team in the development of the options, to the extent which they find helpful. This will involve our consultants acting as critical friends, providing friendly challenge which draws upon their wide knowledge of practice elsewhere and the realistic alternatives available to authorities. It might culminate in an assessment of the draft report of the review to confirm that it is robust and balanced.
- 3.7 This proposal therefore offers a detailed proposition for the initial appraisal, and then goes on to explore how POS Enterprises might support the subsequent stages of the review process.

4. The initial service appraisal

- 4.1 The approach to the appraisal will combine an analysis of available information provided by the client to provide robust information about the review issues, with an examination of institutional and relationship matters to establish whether they present any issues which would need to be addressed in considering the re-modelling of the service.

- 4.2 Following instruction and initial liaison, the client will provide documentary information which will assist the consultants in planning and preparing their enquiries and the content of interviews.
- 4.3 The heart of the appraisal process will be a site based assessment visit by the consultant team to the Council. This will be designed to elicit the information and understanding necessary to draw valid conclusions.
- 4.4 An inception meeting will take place with the designated client officer at the outset of the site visit, when the following matters will be covered:
- introduction and the roles of the POS Enterprises assessment team members
 - an exploration of the Council's approach to future service planning and service reviews, and any implications for the detailed content of the appraisal
 - consideration of the adequacy of data currently held by the Council on matters such as costs and customer satisfaction, to assess whether further or better information is needed to enable sound conclusions to be reached on matters such as comparative costs
 - identification of key members of staff, both professional and administrative, who will assist the consultants in clarifying the detail of processes, provide additional documentation which may be required, and similar matters
 - any other information which the client feels would be helpful to the review team
- 4.5 The lead consultant will confer with the client officer in advance of the inception meeting to outline the information likely to be needed, and identify any apparent gaps which may need to be addressed. The meeting can then consider how they can best be tackled. Since cost data will be fundamental to the review process it is likely to be a key focus for such discussion.
- 4.6 The appraisal team will spend six days on site, beginning with the inception meeting referred to above. The client is asked to provide office accommodation for the team and related logistical matters, as well as a separate room for interviews. The client is asked to provide two computer terminals with web access, a printer, and an internal phone line.

Document review and analysis

- 4.7 Subject to confirmation, it is proposed that the main body of detailed documentary research will take place on site. This will facilitate access to procedural documentation and current protocols; and enable the appraisal team to raise queries directly with the relevant officers. The department is requested to arrange matters so that the appropriate officers can be reasonably available when the appraisal team is on site, whilst recognising that they need to be able to continue to carry out their duties.
- 4.8 The appraisal team will examine the application process procedures (registration, validation, consultation and other processing). This will demonstrate the standard operating practice within the department and allow the consultants to confirm the targets and deadlines that are being attained and where any hold-ups are occurring in the decision-making process. This is likely to require the involvement of the administrative/support staff as well as a development management team member, to provide assistance with queries both on site and afterwards during the report writing phase.
- 4.9 The appraisal team will look at the workload and how it is resourced: performance data on decision timescales, appeal outcomes and other indicators of efficiency: and information

which can be provided by the Council about any customer surveys or feed-back. They will also examine a random selection of recent applications, including officer reports, decision notices and committee meeting papers and minutes.

- 4.10 They will examine cost information provided by the Council against data for similar authorities in the Planning Advisory Service benchmarking club. The database drawn together by the PAS is the best current resource on actual costs of planning services, managed according to agreed protocols to enable meaningful comparisons. It may be necessary for the Council to supplement or reorganise current data to facilitate such comparison.
- 4.11 The appraisal team will also review post decision processes, including the arrangements for issuing decision notices and maintaining the planning register, planning enforcement policy and its effectiveness in practice.

Interviews with members and officers

- 4.12 The appraisal will be informed by a range of discussions with staff and elected members. The functions of the interviews will vary with those involved, but broadly they will provide the means for the consultants to:
- hear perceptions of how the development management service has performed over the past couple of years
 - elicit the participants' own ideas for how the service might be improved
 - explore possible ideas for both economies in service delivery and enhancements, and highlight any practical implications they might have
 - hear elected members' views on the service and the relationship between the Council and communities on planning matters, and what is most and least important to them
- 4.13 It is anticipated that the following will be interviewed:
- the senior managers of the department (including the Director and Head of Service)
 - the Development Manager
 - members of the development control team and enforcement staff (both separately and in a facilitated group meeting)
 - members of the Planning Policy team
 - the legal officer with responsibility for planning matters
 - members of the support/administrative team
 - the portfolio holder for Planning and the Chairmen of the Planning Committees
 - other elected members if agreed at the inception meeting
- 4.14 A member of the appraisal team will also attend a meeting of one of the Planning Committees, to observe the procedures in place and how matters are dealt with there.
- 4.15 The appraisal team will identify who should be interviewed, in consultation with the client, who will be responsible for making the necessary arrangements for the interviews in advance. It is anticipated that most interviews will range between one and two hours including time following the interview itself to review the notes taken at the time.
- 4.16 The interviews with individual development management team members will be used to discuss the processing of applications, and explore their perceptions of the way the team

operates, the support and advice available to them, the effectiveness of current procedures and any perceived shortcomings, and what they see are the strengths and weaknesses of the team.

- 4.17 The facilitated group meeting with members of the development management team will allow them to outline their perceptions of the service being provided, the way in which they are currently operating and how they feel that the growth agenda and performance issues impact of their work. They will also be asked to identify the perceived strengths and weaknesses of the service and the existing team structure. It is recommended that the service managers do not attend this meeting to allow an open and frank discussion.
- 4.18 This proposal does not provide for interviews with customers of the service, because it is not known what customer surveys or feedback mechanisms already exist. There can also be sensitivities around outsiders talking to customers on their opinion of a service. However, if the Council considers that it needs better information about customer perceptions and satisfaction, the consultants will be pleased to offer advice on how it might be obtained. Should the Council wish this to be dealt with by the appraisal team, we shall be pleased to provide a separate costing following discussions with the officers.

Production of the report and recommendations

- 4.19 Following the onsite visit, the review team will draw together a report, which will set out clear conclusions and identify any weaknesses which ought to be addressed by the Council as part of the review process. This will be written in plain English in a form that is suitable for circulation to others within the Department, and for release to any other individuals or organisations at the discretion of the client.
- 4.20 The report will include:
- an overview of the current process and practices
 - conclusions on the scale and nature of any weaknesses, deficiencies or inconsistencies in the performance of the service as it currently stands
 - information about how the cost of the service compares with similar authorities, and any potential areas for financial savings
 - recommendations about performance improvements that might be made to the existing processes to provide a genuine development management service
 - conclusions on the effectiveness of the management structure and systems, and any aspects which would benefit from enhancement
 - conclusions on the fit of the staff resources and management structure with the workload and the Council's current expectations
- 4.21 A short supplementary confidential report may be prepared if, after discussion with the client, it is deemed necessary. This would include:
- more detailed recommendations about the most effective staff structure, including the provision of support services, staffing levels and management structure
 - any other issues, not previously identified by the client, which arise during the commission and which it is considered should be addressed by the department and/or elected members
- 4.22 The approach to the appraisal will therefore combine processes for information gathering and analysis to provide robust information about the issues; with examination of the institutional and relationship issues which lie behind any identified problems. The

conclusions and any recommendations put forward will be designed to be practical and economical in operation.

- 4.23 Reports will be provided in draft to the client, for comments ahead of final, agreed versions being provided.

5 Subsequent support to the review

- 5.1 There is considerable value in the Council having the initial appraisal of the service to provide an independent factual platform for the review process. However, the subsequent work on the service review should be primarily a matter for the Council's own officers, so that they shape the options and fully understand the implications.
- 5.2 It is therefore proposed that subsequent support should be provided at the judgement of the client. Essentially, the consultants would be called upon when it was considered most beneficial to do so. Accordingly, we do not put forward a specific proposal for such support, but rather offer some ideas on how it might work.
- 5.3 We propose that following completion of the initial appraisal, the consultants should sit down with the Council's review team to talk through the key issues which have emerged and their implications for the development of options. In particular this is likely to turn on whether the comparative cost information suggests that the service is relatively expensive or relatively economical.
- 5.3 The consultants can provide ideas and advice at this stage on some of the possibilities the Council might consider in developing the three options, and some of their implications. This may include matters such as:
- the present level of service and the scope for improvement without additional cost
 - the potential for economies in the existing service and how they might also be achieved through other models of delivery
 - what those models of delivery might be, including a refreshed version of the present operation, a shared service with one or more other authorities, externalisation to a contractor, or a hybrid of permanent staff plus a top-up resource from a contractor
 - the possible impact on customers of possible changes to service standards aimed at securing cost savings
 - matters likely to be sensitive with elected members which should be taken into account
 - how to ensure resilience in the face of workload variations
 - areas where development may be desirable in protocols or other aspects of service delivery
- 5.4 The Council can then consider, in the light of that meeting, how the consultants might best be used to support the review. We would see this as acting as a critical friend and/or provider of specialist support in areas where further work is requested. A critical friend can offer the benefit of their knowledge and experience, but should also give some friendly challenge, asking for instance whether a particular option goes far enough, or the there is sufficient evidence to support a conclusion.
- 5.5 In this capacity the lead consultant might be asked to attend meetings to discuss emerging ideas, or review and comment upon draft documents, or have telephone conversations with officers to talk particular issues through. Where he attends a meeting he will provide for the record a concise note of the main points of advice and comment.

- 5.6 POS Enterprises' experience is that in providing critical friend support, a modest amount of time can go a long way in assisting the client. We therefore suggest that for budgeting purposes the Council might allow for between 5 and 10 days for this part of the commission.
- 5.7 Should the Council ask POS Enterprises to assist with a particular aspect of service development, a quotation for that work will be provided at the time.

6 The Programme

- 6.1 By the nature of the planned review process, information about the existing service will be important. This proposal has already commented on the importance of having financial information which is set out in a suitable form to facilitate benchmarking comparisons with other similar authorities, and raised the matter of whether the Council has existing customer survey or feedback information.
- 6.2 It is therefore proposed that the inception meeting referred to in paragraph 4.4 of this proposal should take place as soon as practicable after appointment. Then, in the light of the discussion there the Council and consultants can identify what if any work should be carried out by Council officers before the initial appraisal is commenced.
- 6.3 The site visit part of the review will take place over six days at the department. Subject to relevant information being available or capable of being expeditiously provided, it is proposed that the site visit and documentary research should be carried out during late July and August. This will allow for the availability of the consultants and persons to be interviewed, project set up, prior familiarisation with the authority, and other advance activities.
- 6.4 The draft report of the initial appraisal will be prepared as soon as possible after the site visit, with the objective of delivery to the client before the end of August 2014.
- 6.5 Thereafter, the timing of further support will be determined by the client in liaison with the lead consultant. However, it is anticipated that the Council will wish to have largely completed investigatory work on the options by the late autumn to allow adequate time for examination by elected members and any further iteration necessary before the end date for the review in March 2015.

7 The consultants

- 7.1 POS Enterprises has put together a high calibre review team for this commission, who bring to it complementary skills and knowledge. The lead consultant will be Malcolm Sharp. Malcolm has extensive experience of delivering high quality services and achieving excellence, reflected in success in winning the RTPI Silver Jubilee Cup and RTPI Award for Community Planning. As a consultant he has carried out commissions including review of a development management service and acting as a high level adviser to an authority seeking to establish an effective way forward following a failed core strategy. His expertise and ability was recognised by the invitation to join the Lyons Commission into Housing Supply.
- 7.2 The second consultant will be Linda Durnal. Linda was a member of the team which carried out the Planning Improvement Programme review work for the States of Jersey in 2010 and 2013. She was one of two consultants who carried out a review of the Isle of Man planning service, and has since led other reviews of development management operations for English planning authorities, as well as working with the Planning Advisory Service on performance

management matters. She is a specialist in elected member and officer development and training, and will draw on her previous work in organisation and methods.

7.3 Brief biographical details are provided at Annex A.

8 Fee proposal

8.1 It is not realistic to seek to offer a fixed fee for the whole commission, because the extent to which the Council calls upon the consultants following the initial appraisal will be for its judgement. A two part fee structure is therefore proposed. The initial appraisal will be carried out for a fixed fee, and the subsequent support will be delivered on a time charge basis.

8.2 **The initial appraisal** - A fixed fee is proposed for the initial appraisal of £16,560+VAT plus travel and accommodation expenses. This is built up as follows:

Costing		
Element	Days	Cost £
Project development, project management, inception meeting, client liaison, weekly report of progress, internal liaison and work planning	3	2,160
On site investigatory meetings and system overview, including preparation and interviews (6 days for each consultant)	12	8,640
Report preparation and checking	6	4,320
Key issues feedback meeting and planning subsequent support	2	1,440
Total	23	£16,560

8.3 The fee build-up is based upon POS Enterprises standard rate of £720 per day.

8.4 As indicated in paragraph 4.18 of this proposal, no allowance is made for customer interviews. Should the Council feel its customer satisfaction information is insufficient we would be pleased to discuss how it might be reinforced, and if requested indicate an additional cost for customer interviews.

8.5 **Subsequent support** - Following the feedback and planning meeting, subsequent support will be on a time charge basis at the POS Enterprises standard rate of £720+VAT per day. this is equivalent to £96+VAT per hour.

8.5 It is suggested in paragraph 5.6 of this proposal that for budgeting purposes the Council might allow between 5 and 10 days for critical friend support to the review. This would suggest that the subsequent support might come to a cost of between £3,600 and £7,200+VAT plus expenses. Should the Council ask the consultants to assist through a specific piece of work the price for this will be agreed at the time.

8.6 **Travel and subsistence expenses** will be kept as low as possible and re-charged at cost. These are provisionally estimated at £2,000+VAT, being mainly attributable to hotel accommodation and subsistence during the site visit.

8.7 **Invoicing** - POS Enterprises will invoice for the fixed fee for the initial appraisal following agreement of the report. Arrangements for invoicing thereafter will be agreed with the client.

Annex A

Consultants' Biographies

Malcolm Sharp

Malcolm has over 40 years experience in all aspects of Planning and delivery; working for LB Hackney, Northampton New Town Corp., East Midlands Airport, Nottingham City Council and Huntingdonshire D.C. He has headed up Development Management and Local Plan Teams, and has been a Chief Planning Officer, Corporate Director and Managing Director. Malcolm is a Member of the Royal Town Planning Institute and is immediate national past president of the Planning Officers Society. He is a Council Member of the National Infrastructure Planning Association, Board Member of the National Retail Planning Forum and currently a Member of the Lyons Commission into Housing Supply.

Malcolm led the teams which won the RTPi's Silver Jubilee Cup in 2010 for the Great Fen Project and the RTPi award for Community Planning in 2006 for the regeneration of the Oxmoor Estate. More recently he was the corporate lead officer for the delivery of a major public/private town centre development and championed the establishment of an Enterprise Zone and major sustainable urban extension at the former Alconbury Airfield. He has overseen the delivery of housing well above target and initiated the recent establishment of the Strategic Planning Unit for the Cambridgeshire authorities which has resulted in an 'accord' in respect of extensive future growth.

Since retiring from his post as Managing Director and Head of Paid Service for Huntingdonshire in 2013, he has established a Planning and Local Government consultancy working with the public and private sectors.

Recent commissions include a Development Management Review for Harborough District Council which extended also to cover plan making and policy matters and about which the Chief Executive Anna Graves wrote "Malcolm you have helped a massive amount so thank you".

A second commission is to act as special Planning Advisor to North West Leicestershire District Council on Development Plan matters, following a failed attempt to adopt a Core Strategy; secondly in respect of the implementation of a large sustainable urban extension and thirdly on best practice operation of the Council's planning committee determining planning applications.

Malcolm presents regularly at relevant conferences and training courses.

Linda Durnal

Linda Durnal founded Linda Durnal Associates in 2003 as a niche consultancy specialising in training provision, particularly within the planning and development, housing, environment and economic regeneration fields.

In 2005 Linda was one of a two person team which advised the Isle of Man Government on the best way to re-organise its professional and administrative processes to satisfy the requirements of a totally new planning system, including the opening of committee meetings to the public and the press.

Linda was one of the team which investigated and reported to the States of Jersey on a performance improvement plan for their development control department in 2010, together with a complete of the department's work in 2013.

During the last year Linda has also undertaken in depth development management reviews on behalf of POSe for two local authorities which were facing designation by the CLG on the basis of poor performance and quality.

Over the last two years Linda has provided a comprehensive elected member training programme for Forest Heath and St Edmundsbury Councils, most recently developing processes and procedures for the conduct of the new shared service of West Suffolk Councils through a series of facilitated elected member workshops on various aspects of committee procedure, including pre-application engagement, delegation levels, codes of conduct, committee behaviour and enforcement activity.

Linda was appointed to the Planning Advisory Service's Supplier Framework in 2012 as a technical writer and researcher as well as a provider of training and facilitation services and she is the technical author of "Planning performance and improvement – the changing landscape" published in July 2013 by PAS.

Her earlier career was with London Borough of Ealing where she worked in the Management Services and Personnel department gaining "across the board" experience of the public sector as well as specific training and experience in organisation and methods techniques and job evaluation.

Linda's involvement with planning has been across all devolved nations of the UK, which has necessitated a strong awareness and good working knowledge of the differences between the planning systems which are currently being operated.

COUNCIL
19 JUNE 2014

Report of the Head of Corporate Services

APPOINTMENTS TO OUTSIDE BODIES

SUMMARY

The Council is invited to nominate representatives to serve on the Dales Community Connect Form of Dales Housing and Sheffield City Region's Joint Overview and Scrutiny Committee.

RECOMMENDATION

1. That up to four representatives be nominated to serve on the new Dales Community Connect Forum of Dales Housing.
2. That Councillor C Furness is appointed as the Council's representative to serve on Sheffield City Regions Joint Overview and Scrutiny Committee.

WARDS AFFECTED

Not applicable

STRATEGIC LINK

Not applicable

1. DALES HOUSING

- 1.1 At its meeting in January 2014, Council agreed to a variation in the Memorandum of Articles governing Dales Housing, which removed its right of representation on the Board of Dales Housing. From April this year, Dales Housing's Board ceased to exist and now operates within the Acclaim Group structure with one fully co-terminus Board.
- 1.2 Representation by elected members and tenants is now provided for in a new body called the Dales Community Connect Forum, the terms of reference for which, is attached to the report. The major difference is that the Forum now acts as an advisory body as opposed to decision making. The first meeting of the Forum took place on 15 May, 2014 and Neil Moulden from Derbyshire Dales Council for Voluntary Service.
- 1.3 Membership to the Forum allows a maximum of four nominees from the District Council. The new Forum is expected to meet quarterly and new members will be invited to attend a training session on the new role.

- 1.4 An invitation has now been received for the Council to nominate up to 4 members to join the Forum. The 4 places will be subject to the rules of political proportionality which allows for 3 members of the Conservative group and 1 seat to the Labour group.

2. SHEFFIELD CITY REGION JOINT OVERVIEW AND SCRUTINY COMMITTEE

- 2.1 Council agreed terms for the District Council's commitment to Sheffield City Region at its meeting on 3 March, 2013 – Minute 372/12 refers. At that time Councillor Albert Catt was appointed to serve on the Joint Overview and Scrutiny Committee.
- 2.2 Council is asked to consider revising the nomination to allow Councillor Chris Furness to serve as the Council's representative on the Committee.

3. RISK ASSESSMENT

3.1 Legal

The roles carry Approved Duty status in relation to the Scheme of Members Allowances. The legal risk is therefore low.

3.2 Financial

Any costs can be contained within the current budget for Members' Allowances. The financial risk is therefore low.

4. OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5. CONTACT INFORMATION

Sandra Lamb, Head of Democratic Services, Tel. 01629 761281 or email sandra.lamb@derbyshirdales.gov.uk

6. LIST OF BACKGROUND PAPERS

None

7. ATTACHMENTS

Terms of Reference for Dales Community Connect Forum

Dales Community Connect Forum

Terms of Reference

Over-arching vision

The strong links which Dales Housing has with the Derbyshire Dales District Council and other significant partners are built on mutual respect, strategic priority synergies and interdependency on delivering services to meet the needs of people within our communities.

Dales Community Connect Forum, a newly formed strategic panel, has been set up to develop plans and priorities, and monitor the progress and service delivery of these community priorities.

These terms of reference will demonstrate how the Forum will connect and link to the newly formed Acclaim Group's Board and its governance framework, along with the Scrutiny Panel at Dales Housing.

1. Membership

A balanced membership of the Forum will have the best impact on our community through local input, agreeing outcomes and priorities and will include:

- Dales Housing's Executive Director
- Dales Housing's Heads' of Service
- District Council nominees (maximum 4no.)
- Derbyshire Dales CVS
- Scrutiny Panel Members (tenants)
- 'Specialists', ie. the Police, DCC, CAB, Age UK, PDNPA etc., to be invited as necessary.

A Chairperson will be appointed at the first meeting and will hold office for a period of 24 months.

In the event the appointed Chair is not present at a meeting, the members present will appoint another member to chair that meeting.

2. Objectives

- To work strategically with partners
- Share and present the tenant's view
- Be a professional voice to be heard by the Group's Board
- Assist with the setting of service budgets if necessary and overseeing the *Dales in the Community* programme and budget

- Consider, with the Executive Director, formal complaints at Stage 2 of the process
- Remain accountable to tenants and communities
- Work in conjunction with the Scrutiny Panel (recognised by the Regulator) who have a programme for planning reviews, identifying emerging issues and trends
- Report on outcomes and issues from developed Neighbourhood Plans, ie. what works / what doesn't, ensuring that tenants' needs are identified and met
- Where appropriate, consider pooling of resources / community spend, achieving maximum potential / impact and value for money
- Consider policies: what does / doesn't work at local level / do they work on the ground?
- Maintain a focus on and raise local issues affecting local people, and keep what matters most in the light
- Where possible, the Forum will have a 'call in' role, ie. for discussion in emergencies

3. Connecting with the Group's governance structures

Members of the Forum would be required to acknowledge and sign up to the Terms of Reference.

The Forum will be embedded as a communication link to the Acclaim Group Board. The Board has acknowledged the necessity and importance to listen / answer / action, along with permitting Forum representation (if required) on a Board agenda. The Board has agreed to give any Forum comments due consideration and aid building strength of the Forum, but the Forum must accept that the Board makes final decisions. The Board may also see the Forum as a 'seeking of advice' panel.

4. Frequency of meetings

Meetings will be held quarterly; timed in conjunction with performance results and Acclaim Board meetings (in the event representation at a Board meeting is necessary).

I acknowledge and sign up to the above Terms of Reference

Signed

Date