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The Chair and Members of Standards  
and Audit Committee

15 November 2017

Dear Councillor,

Please attend a meeting of the STANDARDS AND AUDIT COMMITTEE to be held on WEDNESDAY, 22 NOVEMBER 2017 at 2.00 pm in Committee Room 2, Town Hall, Rose Hill, Chesterfield, S40 1LP, the agenda for which is set out below.

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to Items on the Agenda
2. Apologies for Absence
3. Minutes

Minutes of the meeting of the Standards and Audit Committee held on 20 September, 2017.

4. Response to Department for Communities and Local Government Consultation on Updating Disqualification Criteria for Local Authority Members (Pages 3 - 10)
5. Risk Management Strategy and Annual Review (Pages 11 - 40)

- *Report was published as a supplement to the main agenda.*

6. National Fraud Initiative (Pages 41 - 46)
7. Summary of Internal Audit Reports Submitted 2017/18 - November 2017 (Pages 47 - 56)
8. Annual Audit Letter 2016/17 (Pages 57 - 64)
  - *Report was published as a supplement to the main agenda.*
9. Minor Changes to Delegation Scheme and Planning Committee Procedures (Pages 65 - 74)
  - *Report was published as a supplement to the main agenda.*

Yours sincerely,

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

Local Government and Regulatory Law Manager and Monitoring Officer

## **For publication**

### **Consultation on updating disqualification criteria for local authority members (GV050)**

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|                    |  |
|--------------------|--|
| Meeting:           | 1. Standards and Audit Committee<br>2. Cabinet Member – Governance |
| Date:              | 1. 22 November 2017<br>2. Week Commencing 4 December 2017          |
| Cabinet portfolio: | Governance   |
| Report by:         | Assistant Director Policy and Communications                       |

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Background papers – Department for Communities and Local Government consultation paper on disqualification criteria for local authority members – available [here](#).

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#### **1.0 Purpose of report**

To respond to the Department for Communities and Local Government consultation on disqualification criteria for local authority members.

#### **2.0 Recommendations**

- 2.1 That the proposed consultation response with any additional comments from members is submitted to the Department for Communities and Local Government.

#### **3.0 Background and scope**

- 3.1 This consultation paper sets out the government's proposals for updating the criteria disqualifying individuals from standing for, or holding office as, a local authority member, directly-elected mayor or member of the London Assembly.

3.2 This consultation does not propose changing the disqualification criteria for Police and Crime Commissioners (PCCs). For the purposes of this consultation, 'local authority member' also extends to directly-elected mayors and co-opted members of authorities, and 'local authority' means:

- a county council
- a district council
- a London Borough council
- a parish council

3.3 The proposals in this consultation would not apply retrospectively i.e. any incumbent local authority member who is on the sex offenders register or subject to a civil injunction or criminal behaviour order at the time the changes come into force would not be affected. However these individuals would be prevented from standing for re-election after the changes come into force.

3.4 The deadline for responding to the consultation is Friday 8<sup>th</sup> December 2017.

#### **4.0 Current disqualification criteria for standing as a candidate or being a member of a local authority**

4.1 Under section 80 of the Local Government Act 1972, a person is disqualified from standing as a candidate or being a member of a local authority, if they:

- are employed by the local authority
- are employed by a company which is under the control of the local authority
- are subject to bankruptcy orders
- have, within 5 years before being elected, or at any time since being elected, been convicted in the UK, Channel Islands or Isle of Man of any offence and have received a sentence of imprisonment (suspended or not) for a period of not less than three months without the option of a fine
- are disqualified under Part III of the Representation of the People Act 1983
- are employed under the direction of various local authority committees, boards or the Greater London Authority
- are a teacher in a school maintained by the local authority

## **5.0 Proposed change – Sexual offences**

- 5.1 The Government is proposing that anyone who is subject to sex offender notification requirements, commonly referred to as 'being on the sex offenders register', should be barred from standing for election, or holding office, as a local authority member, directly-elected mayor or member of the London Assembly.
- 5.2 The period of time for which they would be barred would end once they were no longer subject to these notification requirements.
- 5.3 An individual can become subject to notification requirements by committing certain criminal acts or being issued with certain types of civil order:
- Being subject to a sex offender notification requirement as an automatic consequence of being cautioned or convicted of a sexual offence listed in Schedule 3 of the Sexual Offences Act 2003
  - Sexual harm prevention orders which are civil orders intended to protect the public from offenders convicted of a sexual or violent offence who pose a risk of sexual harm to the public. The order places restrictions on their behaviour and has notification requirements
  - Notification orders which are civil orders intended to protect the public from the risks posed by sex offenders who have been convicted, cautioned, warned or reprimanded for sexual offences committed overseas.
- 5.4 The Government does not propose including another type of civil order, the Sexual Risk Order, as this person would not have been convicted or cautioned of a sexual offence under the Sexual Offences Act 2003 and are not subject to notification requirements for registered sex offenders.

## **6.0 Proposed change – Anti-social behaviour**

- 6.1 The Government is proposing that an individual who is subject to an anti-social behaviour sanction that has been issued by the court, i.e. a Civil Injunction or a Criminal Behaviour Order, should be barred from standing for election, or holding office, as a local authority member, directly-elected mayor or member of the London Assembly.

- 6.2 A civil injunction will be made which is a civil order with a civil burden of proof. The injunction can include both prohibitions and positive requirements to tackle the underlying causes of the behaviour. Applications can be made by police, councils, social landlords, Environment Agency etc. A criminal behaviour order will be made by a court on conviction. The order can be issued by any criminal court against a person who has been convicted of an offence. It is aimed at tackling the most persistently anti-social individuals who are also engaged in criminal activity. Applications are made by prosecution, in most cases by the Crown Prosecution Service, either at its own initiative or following a request from the police or council.
- 6.3 The period of time for which they would be barred would end once they were no longer subject to the injunction or Order.

## **7.0 Proposed Consultation response**

- 7.1 **Consultation question 1**- Do you agree that an individual who is subject to the notification requirements set out in the Sexual Offences Act 2003 (i.e. who is on the sex offenders register) should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

**Proposed response 1** – Yes we agree with the proposal set out by the Government.

- 7.2 **Consultation question 2** - Do you agree that an individual who is subject to a Sexual Risk Order should not be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

**Proposed response 2** – The proposed additional disqualification criteria regarding sexual offences are proportionate to reflect options which exist to protect the public and address unlawful and unacceptable behaviour. However there is a balance to be struck on disqualification criteria. With the sexual risk order no conviction or caution has taken place therefore we agree that this in itself

should not be a disqualification criteria. However this person has been identified as posing a risk of harm to the public in the UK and/or children or vulnerable adults abroad. It would be useful for candidates and members to have to declare this status so that a risk assessment could be undertaken to consider if there are any duties, responsibilities or activities that may be unsuitable for the elected member to take part in.

- 7.3 **Consultation question 3** - Do you agree that an individual who has been issued with a Civil Injunction (made under section 1 of the Anti-social Behaviour, Crime and Policing Act 2014) or a Criminal Behaviour Order (made under section 22 of the Anti-social Behaviour, Crime and Policing Act 2014) should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

**Proposed response 3** - Yes we agree with the proposal set out by the Government. These proposals better reflect current ASB powers and will further contribute to public confidence in local government and promote the highest standards in public life.

- 7.4 **Consultation question 4** - Do you agree that being subject to a Civil Injunction or a Criminal Behaviour Order should be the only anti-social behaviour-related reasons why an individual should be prohibited from standing for election, or holding office, as a member of a local authority, mayor of a combined authority, member of the London Assembly or London Mayor?

**Proposed response 4** – Other ASB sanctions such as the use of dispersal orders, closure powers etc. may have a lower burden of proof than civil injunctions or criminal behaviour orders. They are also more likely to relate to groups of people, areas or properties than individual people. Therefore we agree that these should not at this time be included in the disqualification criteria.

- 7.5 **Consultation question 5** - Do you consider that the proposals set out in this consultation paper will have an effect on local authorities discharging their Public Sector Equality Duties under the Equality Act 2010?

**Proposed response 5** – No specific issues have been identified regarding the Public Sector Equality Duties.

7.6 **Consultation question 6** - Do you have any further views about the proposals set out in this consultation paper?

**Proposed response 6** - The proposals set out in this consultation document are to be welcomed as strengthening local government's ethical agenda and ensuring that individuals wishing to hold elected office are of good character. This may be seen as particularly relevant given the limited powers of a local authority to impose sanctions (such as suspension) on members in breach of the Member Code of Conduct following the Localism Act 2011 changes.

These proposals reflect current criminal sentencing powers and will further contribute to public confidence in local government and promote the highest standards in public life. The proposals would also better reflect the rules governing the standards for Members of Parliament (MPs), where MPs face suspension from the House for anything that contravenes the parliamentary code of conduct.

Whilst the proposals are welcomed, we are concerned that this is a missed opportunity for the Department for Communities and Local Government to review the sanctions for misconduct.

## **8.0 Financial considerations**

8.1 There are no financial considerations associated with this consultation response.

## **9.0 Risk management**

9.1 Risk implications have been considered in the proposed responses. This is particularly relevant at 7.2 and 7.6.

## **10.0 Equalities**

10.1 No specific issues have been identified

## **11.0 Recommendations**



11.1 That the proposed consultation response with any additional comments from members is submitted to the Department for Communities and Local Government.

## **12.0 Reasons for recommendations**

12.1 To respond to the Department FOR Communities and Local Government disqualification for elected members consultation.

### **Decision information**

|                            |                     |
|----------------------------|---------------------|
| <b>Key decision number</b> | <b>Non key (73)</b> |
| <b>Wards affected</b>      | <b>ALL</b>          |

### **Document information**

|  |   |
|--|---|
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## **For publication**

### Risk Management Strategy and Annual Review

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|                   |  |
|-------------------|--|
| Meeting:          | Council<br>Standards and Audit Committee                         |
| Date:             | 13 <sup>th</sup> December 2017<br>22 <sup>nd</sup> November 2017 |
| Cabinet Portfolio | Cabinet Member for Governance                                    |
| Report by:        | Director of Finance & Resources                                  |

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## **For publication**

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### **1.0 Purpose of report**

- 1.1 To provide a report on the Risk Management developments during 2016/17 and to update the Risk Management Policy, Strategy and the Corporate Risk Registers for 2017/18.

### **2.0 Recommendations**

- 2.1 To note the progress made on developing the Council's approach to risk management during 2016/17.
- 2.2 To recommend to the Full Council the approval of the Risk Management Policy, Strategy and the Corporate Risk Register for 2017/18.

### **3.0 Background**

- 3.1 The Risk Management Strategy requires an annual review to be reported to the Council at the end of the financial year and the Corporate Risk Register at the start of the year.
- 3.2 The Standards and Audit Committee is required to consider the effectiveness of the Council's risk management arrangements.

#### **4.0 Annual Review 2016/17**

- 4.1 The main focus of risk management activities during 2016/17 have focused on updating Service Risk Registers so that they reflect the revised Senior Leadership Team (SLT) and Corporate Management Team (CMT) structures alongside reviewing and updating the Corporate Risk Register.
- 4.2 Risk Management Training Workshops were facilitated by a specialist from our insurers Zurich Municipal (ZM) and were completed for each of the following service areas:-
- Customers, Commissioning and Change Management
  - Commercial
  - Economic Growth
  - Finance and Resources
  - Health and Wellbeing
  - Housing Services
  - Policy and Communications
- 4.3 These workshops were attended by the respective SLT and CMT officers together with their service managers and concentrated on identifying and discussing risks specific to their services areas (Service Risk Registers) and risks that spanned all services across the Council (Corporate Risk Register).
- 4.4 Following the workshops ZM supplied updated Service Risk Registers and a Corporate Risk Register for approval.
- 4.5 Sitting below the Corporate Risk Register there are seven Service Risk Registers. These contain risks that are linked to the corporate risks but which are managed at the service level and other, operational level, risks. The Service Risk Registers are annually reviewed by the Corporate Risk Management Group to

(a) ensure a consistency of approach and (b) check that links with the Corporate Risk Register were being maintained.

4.6 The key risks for 2016/17 included:

- Data Security and PSN compliance (achieved)
- Health & Safety enforcement
- ICT Network Security
- Budgetary and financial challenges (General Fund balanced for 2016/17)
- SCR uncertainty (we are now a non-constituent member)

## **5.0 Risk Management Policy and Strategy**

5.1 The Policy and Strategy documents are designed to clarify the corporate and operational elements and to further embed Risk Management within the organisation. The documents for 2017/18 are included in Appendix A.

## **6.0 Corporate Risk Register (CRR)**

6.1 The management of corporate risks is an essential component of good governance and helps to ensure the delivery of services. It is therefore important that the CRR is reviewed regularly to take account of any changes in risk levels and to identify any new risks.

6.2 The format and content of the CRR was updated for 2017/18 (para 4.2 to 4.4). Many of the corporate risks will be a permanent feature within the CRR whilst others, which relate to one-off type projects, will appear only for a limited period. The CRR Summary for 2017/18 is shown in Appendix B and the detailed Corporate Risk Register is shown in Appendix C.

6.3 The challenge for 2017/18 will be to implement the further actions highlighted or any other actions subsequently developed to bring the risk ratings to the 'target' level which reflects the Council's risk appetite i.e. the level of risk it is prepared to accept.

## **7.0 Risks and Uncertainties**

- 7.1 The failure to have effective risk management arrangements in place which will identify and manage risk could have serious consequences for the Council. The current key (red) risks to the Council in Appendix B/C are currently:

| Description of Risk   |
|---|
| CR1- Having a Sustainable Financial Plan - the ability to deliver priority services with the resources available.   |
| CR6 - Protecting the Public & Staff (Health & Safety) - to ensure that we have systems in place to reduce the risk of accidents occurring and their severity.                                   |
| CR9 - Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money.   |
| CR4 - Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.                              |
| CR11 - Key Partnerships (e.g. PPP, Veolia) - to ensure that partnerships are used to support the delivery of the Council's priorities and that they are delivered to the specified standard.    |
| CR12 - The provision of Social Housing - ensuring that the Council is able to support delivery of social housing and that there is a sustainable business plan for the Housing Revenue Account. |

- 7.2 An evaluation of each of the Corporate Risks is included in Appendix B and C.

## 8.0 Financial Implications

- 8.1 The Council transfers £5,000 per annum into a Risk Management Reserve which is managed by the Corporate Risk Management Group. The movements on the reserve during 2016/17 were as follows:

| Description  | £       |
|--|---------|
| Balance b/fwd April 2016                               | 5,000   |
| Add contribution for the year                          | 5,000   |
| <u>Less expenditure/commitments:</u>                   |         |
| Risk Management Consultancy – ZM                       | (5,000) |
| Counter Fraud Services                                 | (669)   |
| Estimated balance c/fwd at 31 <sup>st</sup> March 2017 | 4,331   |

8.2 The Council's insurance contract with Zurich included an allowance of £5k in 2016/17 and £5k for 2017/18 which must be used for risk management services provided by the company. The allowance was used in 2016/17, and will be used again in 2017/18, to help develop the corporate risk management arrangements.

8.3 The Council also maintains a number of earmarked reserves and provisions to cover the financial risks that it faces. The funds include the General Working Balance, the Budget Risk Reserve and the Insurance Reserve.

## **9.0 Equalities Consideration**

9.1 None arising from the contents of this report.

## **10.0 Recommendations**

10.1 To note the progress made on developing the Council's approach to risk management during 2016/17.

10.2 To recommend to the Full Council the approval of the Risk Management Policy, Strategy and Corporate Risk Register for 2017/18.

## **11.0 Reason for Recommendation**

11.1 To ensure that effective risk management monitoring and reporting arrangements are in place.

### **Decision information**

|   |            |
|---|------------|
| <b>Key decision number</b>              | <b>754</b> |
| <b>Wards affected</b>                   | <b>All</b> |
| <b>Links to Council Plan priorities</b> |            |

### **Document information**

|                      |                             |
|----------------------|-----------------------------|
| <b>Report author</b> | <b>Contact number/email</b> |
| <b>Kevin Hanlon</b>  | <b>Ext. 5451</b>            |

|                             |
|-----------------------------|
| <b>Background documents</b> |
|-----------------------------|

|  |
|--|
| These are unpublished works which have been relied on to a material extent when the report was prepared. |
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|                                 |
|---------------------------------|
| <b>Appendices to the report</b> |
|---------------------------------|

|            |                                     |
|------------|-------------------------------------|
| Appendix A | Risk Management Policy and Strategy |
|------------|-------------------------------------|

|            |                                 |
|------------|---------------------------------|
| Appendix B | Corporate Risk Register Summary |
|------------|---------------------------------|

|            |                                  |
|------------|----------------------------------|
| Appendix C | Corporate Risk Register (Detail) |
|------------|----------------------------------|



# Chesterfield Borough Council

## Risk Management Strategy

|                        |                                   |
|------------------------|-----------------------------------|
| Version:               | January 2017                      |
| Ratified By:           | Corporate Risk Management Group   |
| Date Ratified          | TBC                               |
| Name of Executive Lead | Director of Finance and Resources |
| Date Issued            | November 2017                     |
| Review date:           | January 2018                      |

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| <b>Appendix C</b> | <b>Glossary</b>                                   |    |
| <b>Appendix D</b> | <b>Corporate Risk Management Group Membership</b> |    |

## Risk Management Statement

It is the Council's policy to proactively identify, understand and manage the risks inherent in our services and associated within our plans and strategies, so as to encourage responsible, informed risk taking.

Risk management is all about understanding, assessing and managing the Council's threats and opportunities. The Council accepts the need to take proportionate risk to achieve its strategic objectives, but expects these to be appropriately identified, assessed and managed. Through managing risks and opportunities in a structured manner, the Council will be in a stronger position to ensure that we are able to deliver our objectives.

As a result, through risk management, the aims & objectives of Chesterfield's Risk Management Strategy are:

- ◆ Ensure that risk management becomes an integral part of corporate and service planning, decision making & project management.
- ◆ Enable the Council to deliver its priorities and services economically, efficiently & effectively.
- ◆ Protect the council's position when entering into new partnerships and/or evaluating existing partnerships.
- ◆ Align risk management and performance management to drive improvement and achieve better outcomes.
- ◆ Guard against impropriety, malpractice, waste and poor value for money.
- ◆ That risk management training forms part of the normal training / induction programmes that are given to officers and members on an on-going basis.
- ◆ Ensure compliance with legislation, such as that covering the environment, health and safety, employment practice, equalities and human rights.
- ◆ Minimise the prospects of any damage to the Council's reputation and/or undermining of public confidence in the organisation.
- ◆ To have a performance framework that continues to allow managers to proactively track performance, and assess / deal with risk in a timely fashion.

We recognise that it is not always possible, nor desirable, to eliminate risk entirely. However, visibility of these areas is essential, so that the Council can explore external options, such as insurance.

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# Risk Management Strategy

## 1. Introduction

The effective management of risk is an important principle for all businesses to properly address. For local authorities such as Chesterfield, managing risk is a key element of our Corporate Governance responsibilities.

Risk Management has become an important discipline across all sectors of the economy since the turn of the decade. The Audit Commission has previously highlighted Risk Management as one of the key elements to having effective governance arrangements in place to meet corporate objectives.

This risk management strategy seeks to promote the identification, assessment and response to key risks that may adversely impact upon the achievement of the Council's stated aims and objectives. It also seeks to maximise the rewards that can be gained through effectively managing risk.

Risk Management is not new; the Council has been doing it effectively for many years. However, to comply with the Corporate Governance requirements the Council must ensure that its procedures are sufficiently formalised and reviewed at regular intervals to identify areas for improvement.

This strategy has been updated to clarify the arrangements for managing risk and to further embed Risk Management within the thinking of all Council employees, Officers and Members.

### 1.1 Purpose and objectives of the Strategy

The purpose of this Risk Management Strategy is to establish a framework for the effective and systematic management of risk, which will ensure that risk management is embedded throughout the Council and makes a real contribution to the achievement of the Council's vision and objectives. As a result, the objectives of this strategy are to:

- Define what risk management is about and what drives risk management within the Council;
- Set out the benefits of risk management and the strategic approach to risk management;
- Outline how the strategy will be implemented;  
and
- Identify the relevant roles and responsibilities for risk management within the Council.

Effective risk management will require an iterative process of identification, analysis, and prioritisation, action, monitoring and reporting of material risk. The processes required to deliver these objectives will need to ensure:

- Clear identification of corporate aims and priorities, service objectives and key actions.
- Specification of roles and responsibilities in respect of risk management activities.
- Consideration of risk as an integral part of corporate and business processes.
- Requirements to analyse, prioritise, respond to, monitor and report on material and significant risks.
- Specification of guidance and support arrangements to assist officers in their consideration of risk.
- Facilitation of shared organisational intelligence and learning.

### **1.2 The Scope of Risk Management**

Risk is anything that may prevent the Council from achieving its stated objectives. Risk management is the process of identifying what can:

- a. Go wrong, and then doing something about it; and/or
- b. Be an opportunity, and then trying to take advantage of it.

Risks will be managed through a series of provisions applying at different levels. These include:

- Expression of the corporate risk tolerance in corporate aims and service plans through application of our risk scoring methodology.
- At operational level by budget allocation and monitoring through effective performance management arrangements.
- At project level through application of established risk assessment techniques in compliance with business continuity planning.
- Good corporate governance provisions as provided by the Standards & Audit Committee's Terms of Reference.
- Incorporated into the Council's Annual Governance Statement.
- Examination of corporate and insurable risks to identify risk reduction measures (Corporate Risk Management Group).
- Provide for risk assessment evidence in all decision making processes of the Council by inclusion in Committee reportage.

- Maintain documented procedures, toolkits and guidance for use across the Council by application of the risk register process and usage advice.
- Provide officers with suitable information and training to enable them to perform their duty (Corporate Risk Management Group).
- Make all partners, providers and delivery agents aware of the Council's expectations on risk, both generally as set out in the Risk Management Policy, and where necessary, in particular areas of service delivery

### 1.3 Risk Management Definitions

There are a number of ways in which organisations express risks and as a result, the risk management definitions can vary. Therefore, we have included a risk management glossary of the Council's risk management definitions.

A full glossary of definitions can be found in **Appendix B**.

### 1.4 What is risk management?

Risk can be defined as ***“Risk can be defined as a threat that an event or action will adversely affect the Council's ability to achieve its objectives, perform its duties or meet expectations of its stakeholders”***

***Risk Management*** - Risk is unavoidable, organisations' must manage risk in a way that can be justified to a level which is tolerable and as a result, risk is the chance that an event will occur that will impact upon the Organisation's objectives. It is measured in terms of impact and likelihood.

The holistic approach is vital to ensure that all elements of the organisation are challenged including decision making processes, working with partners, consultation, existing policies and procedures and also the effective use of assets – both staff and physical assets.

The risks facing the Council will change over time, some changing continually, so this is not a one off process. Instead the approach to risk management should be continual and the risks and the approach to managing them should be reviewed regularly.

It is important to note that **risks can also have an upside**; their impact can in some cases be positive as well as negative. Risk is also often said to be the flipside of opportunity so the whole risk management process can also help the Council identify positive opportunities that will take it forward. Risk management needs to be seen as a strategic tool and will become an essential part of effective and efficient management and planning.

## 1.5 Why do we want (and need) to do risk management?

Risk management will, by adding to the business planning and performance management processes, strengthen the ability of the Council to achieve its objectives and enhance the value of the services provided.

**We are required to do it** - Risk management is something that the Council is required to do, for example:

- The CIPFA/SOLACE framework on Strategic Governance requires the Council to make a public assurance statement annually, on amongst other areas, the Council's Risk Management Strategy, process and framework. The framework requires the Council to establish and maintain a systematic strategy, framework and processes for managing risk.

**Benefits of risk management** - Successful implementation of risk management will produce many benefits for the Council if it becomes a living tool.

- Achievement of the Council's objectives and vision;
- A consistent approach to the way risks are managed throughout the Council;
- Improved informed decision making – risks reported and considered within Council decision making;
- Becoming less risk averse in innovation (because you understand) and hence are more innovative;
- Improved business planning through a risk based decision making process;
- A focus on outcomes not processes;
- Improved performance (accountability and prioritisation) - feeds into performance management framework;
- Better governance - and demonstration of it to stakeholders; and
- Helping to protect the organisation.

## 1.6 Where does risk management fit?

In short the answer is **“everywhere”**. Effective risk management should be applied within all decision making processes at an *appropriate scale*. So the risk management approach should encompass all types of risks and the table below may aid in the identification of risks to the Council.

## RISK MANAGEMENT POLICY & STRATEGY

| Sources of risk                              | Risk examples   |
|--|---|
| <b>STRATEGIC</b>                             |   |
| <b>Infrastructure</b>                        | Functioning of transport, communications and infrastructure. Impact of storms, floods, pollution.   |
| <b>Legislative and Regulatory</b>            | Effects of the change in Central Government policies, UK or EU legislation, local and National changes in manifestos. Exposure to regulators (auditors/inspectors).   |
| <b>Social Factors</b>                        | Effects of changes in demographic profiles (age, race, social makeup etc.) affecting delivery of objectives. Crime statistics and trends. Numbers of children/vulnerable adults 'at risk'.                  |
| <b>Technological</b>                         | Capacity to deal with (ICT) changes and innovation, product reliability, developments, systems integration etc. Current or proposed technology partners.  |
| <b>Competition and Markets</b>               | Cost and quality affecting delivery of service or ability to deliver value for money. Competition for service users (leisure, car parks etc). Success or failure in securing funding.                       |
| <b>Stakeholder related factors</b>           | Satisfaction of the Council's taxpayers, Central Government, GOEM and other stakeholders.   |
| <b>Political</b>                             | Local or national political issues that may impact on the Council meeting its Objectives  |
| <b>Economic</b>                              | Affecting the ability of the Council to achieve its commitments   |
| <b>Social</b>                                | Relating to the Council's ability to meet the effects of changes in demographic, residential or social/economic trends  |
| <b>Environmental</b>                         | Environmental impact from Council, stakeholder activities (e.g. pollution, energy efficiency, recycling, emissions, contaminated land etc). Traffic problems and congestion.                                |
| <b>OPERATIONAL (Internal influences)</b>     |   |
| <b>Finance</b>                               | Associated with accounting and reporting, internal financial delegation and control, e.g. schools finance, managing revenue and capital resources, neighbourhood renewal funding taxation and pensions.     |
| <b>Human Resources</b>                       | Recruiting and retaining appropriate staff and applying and developing skills in accordance with corporate objectives, employment policies, health and safety.  |
| <b>Contracts and Partnership</b>             | Failure of contractors to deliver services or products to the agreed cost and specification. Procurement, contract and life cycle management, legacy. Partnership arrangements, roles and responsibilities. |
| <b>Tangible Assets</b>                       | Safety and maintenance of buildings and physical assets i.e. plant and equipment, ICT equipment and control   |
| <b>Environmental</b>                         | Pollution, noise, licensing, energy efficiency of day-to-day activities.  |
| <b>Processes</b>                             | Compliance, assurance, project management, performance management, revenue and benefits systems, parking systems etc.   |
| <b>Legal</b>                                 | Relating to potential breaches of legislation   |
| <b>Physical</b>                              | Related to physical damage, security, accident prevention and health & Safety   |
| <b>Professional Judgement and Activities</b> | Risks inherent in professional work, designing buildings, teaching vulnerable children, assessing needs (children and adults).  |



## RISK MANAGEMENT POLICY & STRATEGY

| Sources of risk                                 | Risk examples   |
|---|---|
| <b>CORPORATE GOVERNANCE</b>                     |   |
| <b>Integrity</b>                                | Fraud and corruption, accountability, transparency, legality of transactions and transactions and limit of authority.             |
| <b>Leadership</b>                               | Reputation, authority, democratic changes, trust and branding.  |
| <b>Policy and Strategy</b>                      | Clarity of policies, communication. Policy Planning and monitoring and managing performance.                                      |
| <b>Data and information for decision making</b> | Data protection, data reliability and data processing. Control of data and information. E-government and service delivery.        |
| <b>Risk Management</b>                          | Incident reporting and investigation, risk analysis or measurement, evaluation and monitoring. Taking advantage of opportunities. |

There is therefore a consistent approach from the top to the bottom of the Council. So a mechanism will exist for risks to be escalated up (bottom up) within the Council whilst the top risks are also explicitly identified and managed (top down).

In practice this means that the Council will carry out risk assessments and develop the following risk registers:

In practice, risks within the Council exist at many different levels (e.g., high level corporate risks to lower level everyday service based risks). For the purpose of this strategy, risks are split into two levels as follows:

- **Corporate Risk Register** – the strategic, high level council risks related specifically to the achievement of the Councils objectives; and
- **Operational Risks** – service based risks that may prevent individual service aims and objectives being met (and therefore impact upon the attainment of corporate objectives).

Given the changing landscape of local government the importance of projects and partnerships are ever increasing, so a more specific and tailored risk management approach is required.

## 2. Risk Management Organisational Structure

### 2.1 Reporting structure

The reporting structure for risk management is summarised below:



The risk management process is a continuous one and risks can therefore be reported at any time. However risks will be formally reported as follows:

- The Full Council will receive a report on the Council's key risks twice a year.
- The Executive Members will receive quarterly risk management reports for information purposes.
- Standards & Audit Committee will review the effectiveness of the Risk Management arrangements and receive risk management reports twice a year.
- The Senior Leadership Team and Corporate Management Team will consider the Corporate Risk Management Group minutes and summary risk management reports on a quarterly basis.
- Overall responsibility for ensuring that the Council has the appropriate systems in place to manage business risk lies with the Council's Corporate Risk Management Group (CRMG). In effect, CRMG are the sponsors for Risk Management within the Authority. Responsibility for managing specific business risks at an operational level lies with Service Managers and their dedicated Officers. The Director of Finance and Resources will 'champion/coordinate' the process on behalf of CRMG.
- Service Managers are required to carry out a comprehensive review of their risk registers as part of the annual service planning process. In addition the service risk registers need to be reviewed every 2 months (prior to the CRMG meetings). All Service Risk Registers need to be posted on the Council's intranet site. Risk also needs to be a standing regular item at service management and team meetings, and service risks need to be communicated to relevant staff.

### 3. Roles and Responsibilities

In cases of operational risk, risk management will follow existing service management arrangements. Corporate risks will be managed at Senior Officer Level. The Corporate Risk Management Group will be accountable to the Corporate Management Team and will be the “driving force” behind developing and implementing the Council’s Risk Management Strategy. Membership of the Group is shown at **Appendix D**. The Group will seek to enhance the linkage between Service Line Managers and the Corporate Management Team.

Risk needs to be addressed at the point at which decisions are being taken. Where Members and Officers are asked to make decisions, they should be advised of the risks associated with recommendations being made as necessary. The Council needs to be able to demonstrate that it took reasonable steps to consider the risks involved in a decision. Risks must be addressed within Committee reports, as part of the corporate check.

There needs to be a balance between the efficiency of the decision making process and the need to address risk. All key reports, including new and amended policies and strategies, need to include a section to demonstrate that risks have been addressed.

In order to ensure the successful implementation of the strategy, roles and responsibilities have been reviewed and are updated in the following table;

| Group or individual                      | Roles & Responsibilities  |
|--|---|
| <b>Full Council</b>                      | <ul style="list-style-type: none"> <li>▪ Formal approve and adoption of the Risk Management Strategy (annually or as required);</li> <li>▪ Approve the Corporate Risk Register (annually);</li> <li>▪ Receive monitoring reports (mid and end of year);and</li> <li>▪ Contribute to the identification of Corporate risks.</li> </ul>   |
| <b>Cabinet</b>                           | <ul style="list-style-type: none"> <li>▪ To review the Strategy and monitoring reports before going to the Full Council.</li> </ul>   |
| <b>Standards &amp; Audit Committee</b>   | <ul style="list-style-type: none"> <li>▪ To review the effectiveness of the Risk Management arrangements; and</li> <li>▪ Receive reports including the annual statement of Internal Control/external audit reports/effectiveness of internal audit.</li> </ul>  |
| <b>Senior/ Corporate Management Team</b> | <ul style="list-style-type: none"> <li>▪ Scrutinise significant risks in more detail as part of their annual work programme, as appropriate;</li> <li>▪ Take corporate responsibility for risk;</li> <li>▪ Address issues that cannot be addressed within service budgets or risk management fund of an extreme or high assessment;</li> <li>▪ Receive report of all extreme or high assessments;</li> <li>▪ Receive minutes of Corporate Risk Management Group.</li> <li>▪ Nominate an Officer Champion for Risk Management;</li> <li>▪ Champion and take overall responsibility for implementing the Risk Management Framework and embedding risk management throughout the Council;</li> </ul> |

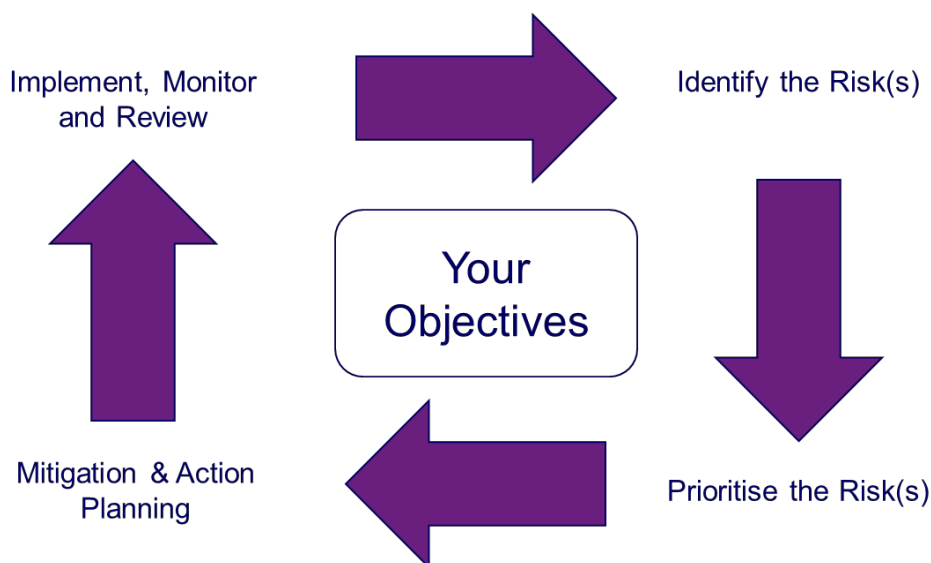
## RISK MANAGEMENT POLICY & STRATEGY

|   |   |
|---|---|
| <b>Corporate Risk Management Group (CRMG)</b> | <ul style="list-style-type: none"> <li>▪ Meet (6 times a year) as per the CRMG timetable</li> <li>▪ Overall responsibility for ensuring that processes are in place to effectively manage risks within the Council;</li> <li>▪ Increase awareness of RM – cascade to service management teams and other team meetings;</li> <li>▪ Produce the Strategy and monitoring reports for members;</li> <li>▪ Identify and commission projects for Risk sub-groups;</li> <li>▪ Receive and consider reports from any Risk sub-groups;</li> <li>▪ Formulate monitor and update the Corporate risks register;</li> <li>▪ Review Service risk registers as per the CRMG timetable</li> <li>▪ Report to CMT at the defined frequency all highly scored risks;</li> <li>▪ Preparing and recommending changes to the risk management strategy;</li> <li>▪ Identifying and assessing risks;</li> <li>▪ Review Insurance claims analysis in order to identify ways of reducing or eliminating future claims;</li> <li>▪ Identify good practice and share learning;</li> <li>▪ Identify new and emerging risks for inclusion in the Corporate Risk Register or Operational Risk Registers;</li> <li>▪ Approve the use of the RM budget and Training days;</li> <li>▪ Arranging and providing risk management training as appropriate.</li> </ul>   |
| <b>Service Managers</b>                       | <ul style="list-style-type: none"> <li>▪ Ensure that risk management is incorporated into service plans and project plans.</li> <li>▪ Review Service Risk Registers every 2 months.</li> <li>▪ Review risk treatment schedules as identified by the line managers and team leaders;</li> <li>▪ Review risk action plans and ensure they are implemented;</li> <li>▪ Contribute towards the identification and management of operational risks for their service;</li> <li>▪ Maintain awareness of and help promote the approved risk management strategy to all staff;</li> <li>▪ Ensure that risks which have been identified are addressed and mitigated and that any high risks are addressed urgently</li> <li>▪ Identify, analyse and profile operational risks through their individual monthly performance clinic. The role of the performance clinic is pivotal to challenging and understanding the risk view as well as gaining confidence that the risks will be managed.</li> <li>▪ To provide annual assurance on the effectiveness of controls in place to identify and mitigate risks within their service through the annual service planning process</li> <li>▪ To maintain awareness of and promote effective risk management techniques (incl. awareness of the strategy and policy) to all relevant staff; and</li> <li>▪ Ensure that risk issues are highlighted in reports to Members.</li> </ul> |
| <b>Line Managers &amp; Team Leaders</b>       | <ul style="list-style-type: none"> <li>▪ Identify and analyse risks;</li> <li>▪ Undertake assessments at service level;</li> <li>▪ Evaluate risk/perform risk assessment</li> <li>▪ Prepare risk register entries;</li> <li>▪ Prepare the risk treatment schedule; and</li> <li>▪ Prepare risk action plan.</li> </ul>  |
| <b>All Employees</b>                          | <p>All employees have a responsibility to:</p> <ul style="list-style-type: none"> <li>▪ Manage risk effectively in their job and report opportunities and risks to their service managers;</li> <li>▪ Participate in risk assessment and action planning where appropriate;</li> <li>▪ Adhere to Council policies and procedures; and</li> <li>▪ Attend training and development sessions as appropriate.</li> </ul>  |

|   |  |
|---|--|
| <p><b>Project Leaders</b></p>                   | <ul style="list-style-type: none"> <li>Project leaders have a responsibility to ensure that the risks associated with their projects are identified, recorded and regularly reviewed as part of the project management process.</li> </ul>   |
| <p><b>Internal Audit (Consortium Audit)</b></p> | <p>Internal Audit's role is to maintain independence and objectivity. Internal Audit is not responsible or accountable for risk management or for managing risks on management's behalf. Internal Audit will:</p> <ul style="list-style-type: none"> <li>Audit the risk management process;</li> <li>Assess the adequacy of the mechanisms for identifying, analysing and mitigating key risks;</li> <li>Provide assurance to officers and Members on the effectiveness of controls;</li> </ul> <p>And</p> <p>The Risk Register will drive the Internal Audit Plan to ensure resources are used on the areas of highest risk and where the need for assurance is greatest.</p> |

## 4. Risk Management Process

The risk management process is the same for the management of both strategic and operational risks. The process comprises of the following four basic steps; these are indicated in the diagram below and should be driven by the Council's objectives.



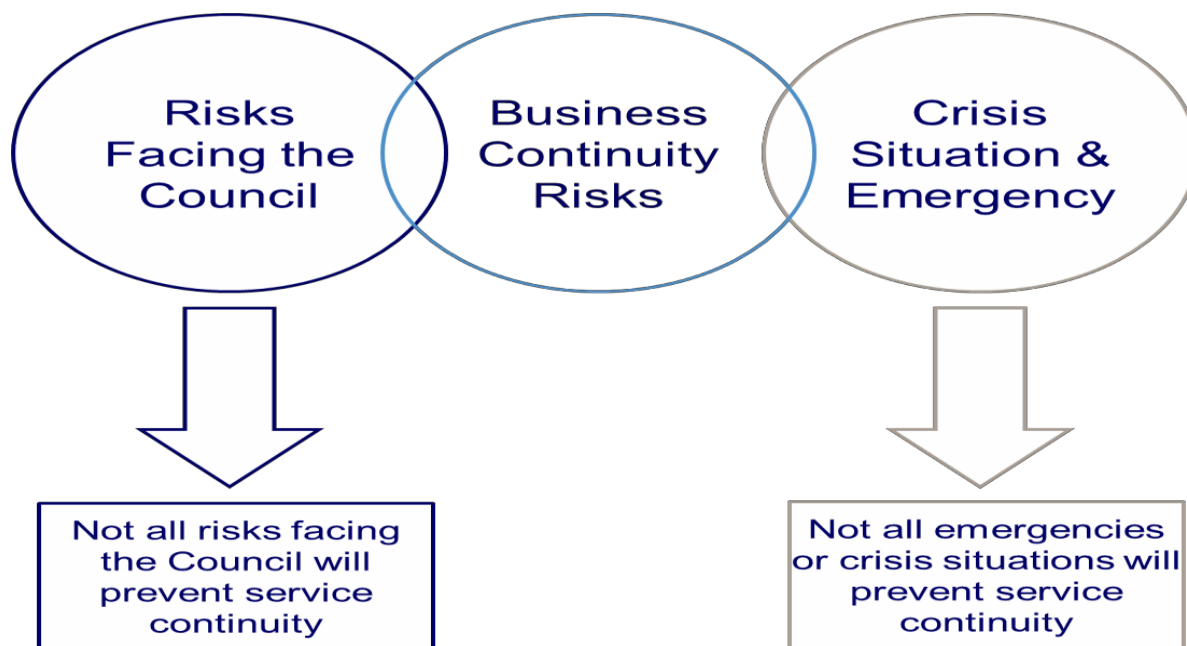
Having identified a risk there are four basic choices about how to deal with it – the 4T's:

- **Treat** the risk (i.e. do something about it)
- **Tolerate** the risk – (i.e. accept it as it is)
- **Transfer** the risk – (i.e. pass it to someone else, for example insurance)
- **Terminate** the risk – (i.e. cease the activity that gives rise to the risk)

## 5. Links to other Processes

### Risk management, emergency planning and business continuity

There is a link between these areas however it is vital for the success of risk management that the roles of each, and the linkages, are clearly understood. The diagram below sets out to demonstrate the differences.



**Risk management** is about trying to identify and manage those risks which are more than likely to occur and where the impact on the Council's objectives can be critical or even catastrophic.

**Business continuity management** is about trying to identify and put in place measures to protect the priority functions against catastrophic risks that can stop the organisation in its tracks. There are some areas of overlap e.g. where the I.T infrastructure is not robust then this will feature as part of the organisation risk assessment and also be factored into the business continuity plans.

**Emergency planning** is about managing those incidents that can impact on the community (in some cases they could also be a business continuity issue) e.g. a plane crash is an emergency, it becomes a continuity event if it crashes on the office.

## 6. Communication

The Risk Management Strategy can be found on the Council's intranet site so that all members of staff can have access and easily refer to it. The strategy will be reviewed each year and following any key changes e.g. Central Government policy, inspection regimes and following any internal reorganisation. The Strategy will be re-issued annually via the intranet site.

## **7. Training**

Workshops will be facilitated by experienced Officers and/or specialists in Business Risk Management. After attending the workshops, Officers should be sufficiently confident to undertake the process of risk identification within their service areas.

Risk analysis, control and monitoring, will lead to the determining of targets for improvements for inclusion in service plans.

## **8. Monitoring of Risk**

The Council will monitor risk in the following ways:

- Risk Assessments will be undertaken annually to reflect Service Plan Objectives and Key Actions.
- The Council risk register, both strategic and operational will be the prime record which contains risk assessments, mitigation controls and review frequency information in accordance with the Councils Risk Management Methodology.
- The Corporate Risk Management Group will comply with their Terms of Reference.
- Internal Audit will review the Council's risk management arrangements as part of its strategic audit plan.

## **9 Conclusion**

This strategy will set the foundation for integrating risk management into the Council's culture. It will also formalise the process to be applied across the Council to ensure consistency and clarity in understanding the role and benefits of corporate risk management.

Every two months reporting and escalation of risks should interlock with the existing arrangements for performance reporting. The intention being that the management of risk is incorporated into business plans and monitored through the performance management framework.

The adoption of the strategy will formalise the risk management work undertaken to date and will move the Council towards meeting the requirements of recognised best practice and inspection.



## APPENDIX A -RISK MANAGEMENT FRAMEWORK

| Corporate Risk Register<br>(owner: Director of Finance and Resources)                       |   |  |  |   |   |  |  |
|---|---|--|--|---|---|--|--|
| <b>Risk Register</b>  | Resources                                   | Customers Commissioning and Change                                       | Housing  | Economic Growth   | Commercial Services   | Health and Wellbeing                         | Policy and Communications                                |
| <b>Risk Register Owner</b>  | Director of Resources<br><br>Kevin Hanlon   | Customers Commissioning and Change Manager<br><br><i>(Rachel O'Neil)</i> | Housing Manager<br><br>(Alison Craig)              | Economic Growth Manager<br><br>(Neil Johnson)   | Commercial Services Manager<br><br>(Michael Brymer)                   | Health and Wellbeing Manager<br><br>(Vacant) | Policy and Communications Manager<br><br>(Donna Reddish) |
| <b>Exec Member</b>  | Deputy Leader & Cabinet Member for Planning | Cabinet Member for Business Transformation                               | Cabinet Member for Housing                         | Leader & Cabinet Member for Regeneration / Cabinet Member for Town Centre & Visitor Economy | Leader & Cabinet Member for Regeneration / Cabinet Member for Housing | Cabinet Member for Health and Wellbeing      | Cabinet Member for Governance                            |
| <b>Service areas: Including related Business Continuity and Health &amp; Safety issues.</b> | Accountancy                                 | Property and Procurement   | Council Housing. HRA Business Planning & Strategy. | Development & Growth.   | Landscape & Street-scene  | Landscape & Street-scene                     | Policy   |
|   | Internal Audi                               | Business Transformation  |  | Cultural & Visitor Services.  | Operational Services  | Environmental Health                         | Communications & Marketing                               |
|   | Insurance                                   | Support Services   |  |   | Customer Services.  | Sports & Leisure                             |  |
|   | Regulatory & Local Government Law           | PPP Client   |  |   |   |  |  |
|   | Democratic & Electoral Services.            | GP:GS  |  |   |   |  |  |
|   |   | Customer Services  |  |   |   |  |  |



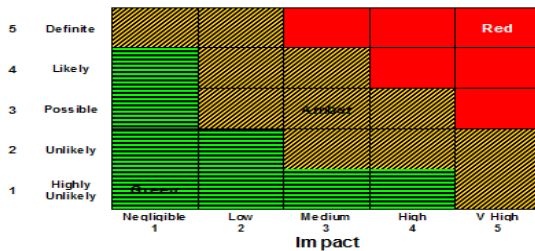


## APPENDIX B – RISK MATRIX AND REGISTER

A Risk Matrix is used to assess risks in terms of their likelihood of occurring and the impact they could have. The scores for each factor (likelihood and impact) are plotted on a matrix (see below) to identify those that require management action i.e. focus on the 'red' area. The objective is to devise mitigating actions that will reduce the risk and ideally move the assessment into a safer area of the matrix (green or amber).

**Total Risk Score = Likelihood x Impact. Rating: 0-4 Green, 5-14 Amber, 15+ Red**

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| Score -1<br>Highly Unlikely  | Score -2<br>Unlikely  | Score -3<br>Possible   | Score -4<br>Likely   | Score -5<br>Definite   |
|--|---|--|--|--|
| Previous experience at this and other similar organisations makes this outcome highly unlikely to occur. | Previous experience discounts this risk as being unlikely to occur but other organisations have experienced problems. | The Council has in the past experienced problems in this area but not in the past three years. | The Council has experienced problems in this area in the last three years. | The council is currently experiencing problems in this area or expects to within the next 12 months. |

| Risk Impact              | Score -1<br>Negligible  | Score -2<br>Low  | Score -3<br>Medium   | Score -4<br>High  | Score -5<br>Very High   |
|--------------------------|---|--|--|---|---|
| <b>PRIORITIES</b>        | No impact on the delivery of the Council's corporate objectives | It may cost more or delay in delivery of one of the Council's priorities                                     | A number of Council priorities would be delayed or not delivered                 | The majority of Council priorities would be delayed or not delivered            | Unable to deliver all Council priorities  |
| <b>FINANCIAL</b>         | Little or no financial impact (less than £5k)                   | The financial impact would be no greater than £25k   | The financial impact would be no greater than £100k                              | The financial impact would be no greater than £500k                             | The financial impact would be greater than £500k                                |
| <b>SERVICE IMPACT</b>    | Council services are not disrupted                              | Some temporary disruption of activities of one Council service   | Regular disruption to the activities of one or more Council services             | Severe service disruption or regular disruption affecting more than one service | Service disruption to the activities of all Council services                    |
| <b>INFORMATION</b>       | Minor, none consequential                                       | Embarrassment, none lasting  | Isolated, personal details compromised   | Severe personal details compromised   | All personal details compromised  |
| <b>PUBLIC ENGAGEMENT</b> | No loss of confidence and trust in the Council                  | Some loss of confidence and trust in the Council felt by a certain group or within a small geographical area | A general loss of confidence and trust in the Council within the local community | A major loss of confidence and trust in the Council within the local community  | A disastrous loss of confidence and trust in the Council locally and nationally |
| <b>REPUTATION</b>        | No media attention  | Disciplinary action against employee   | Adverse coverage in local press  | Adverse coverage in National press/Front page news locally                      | Front page news story in National Press   |

## APPENDIX C: GLOSSARY

|                                       |   |
|---------------------------------------|---|
| <b>Risk</b>                           | Risk can be defined as a threat that an event or action will adversely affect the Council's ability to achieve its objectives, perform its duties or meet expectations of its stakeholders.   |
| <b>Hazard</b>                         | Anything that has the potential to cause harm.  |
| <b>Risk Management</b>                | Risk is unavoidable, organisations' must manage risk in a way that can be justified to a level which is tolerable and as a result, risk is the chance that an event will occur that will impact upon the Organisation's objectives. It is measured in terms of consequence and likelihood.  |
| <b>Assessing risks</b>                | The approach and process used to prioritise and determine the likelihood of risks occurring and their potential impact on the achievement of the Councils objectives.   |
| <b>Contingency</b>                    | An action or arrangement that can be put in place to minimise the impact of a risk if it should occur.  |
| <b>Control (control measures)</b>     | Any action, procedure or operation undertaken to either contain a risk to an acceptable level, or to reduce the likelihood.   |
| <b>Corporate Governance</b>           | Set of internal controls, processes, policies, affecting the way the Council is directed, administered or controlled.   |
| <b>Service risk</b>                   | Significant operational risks which affect the day-to-day activities of the council.  |
| <b>Identifying risks</b>              | The process by which events that could affect the achievement of the Council's objectives, are drawn out and listed.  |
| <b>Risk Prioritisation</b>            | Risk prioritisation is the process used to evaluate the hazard/ risk and to determine whether precautions are adequate or more should be done. The risk is compared against predetermined acceptable levels of risk.  |
| <b>Impact</b>                         | The effect that a risk would have if it occurs.   |
| <b>Issue</b>                          | An event or concern that has occurred or is taking place and needs to be addressed (as opposed to a risk which has not yet, or might not, occur).   |
| <b>Consequence</b>                    | A measure of the impact that the predicted harm, loss or damage would have on the people, property or objectives affected.  |
| <b>Likelihood</b>                     | A measure of the probability that the predicted harm, loss or damage will occur   |
| <b>Risk Treatment</b>                 | The action(s) taken to remove or reduce risks   |
| <b>Managing and controlling risks</b> | Developing and putting in place actions and control measures to treat or manage a risk.   |
| <b>Control</b>                        | The control of risk involves taking steps to reduce the risk from occurring such as application of policies or procedures.  |
| <b>Mitigation (Plan)</b>              | A strategy that reduces risk by lowering the likelihood of a risk event occurring or reducing the impact of the risk should it occur.   |
| <b>Objective</b>                      | Something to work towards – goal.   |
| <b>Operational risk</b>               | Risks arising from the day to day issues that the Council might face as it delivers its services.   |
| <b>Overall risk score</b>             | The score used to prioritise risks – impact multiplied by likelihood.   |
| <b>Risk Assessment</b>                | Analysis undertaken by management when planning a new process or changing an existing procedure to identify risks that may occur, their potential impact and likelihood of occurrence. It will also identify the controls needed to control the risk and who is responsible for this.   |
| <b>Risk Register</b>                  | A risk register is a log of risks of all kinds that threaten an organisations success in achieving its objectives. It is a dynamic living document which is populated through the organisations risk assessment and evaluation process. The risk register enables risks to be quantified and ranked. It provides a structure for collating information about risks. |

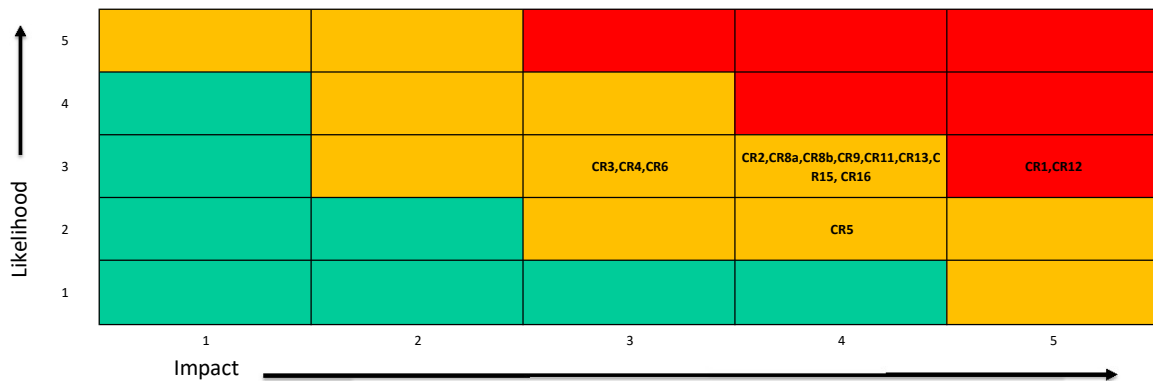
## APPENDIX D – CORPORATE RISK MANAGEMENT GROUP – MEMBERSHIP

| Member       | Officer              | Title                                       | Role  |
|--------------|----------------------|---|---|
| Member/Chair | Kevin Hanlon         | Director of Finance and Resources           | Chair and Resources Risk Lead               |
| Member       | Rachel O’Neil        | Customers, Commissioning and Change Manager | Customers, Commissioning & Change Risk Lead |
| Member       | Alison Craig         | Housing Manager                             | Housing Risk Lead                           |
| Member       | Neil Johnson         | Economic Growth Manager                     | Economic Growth Risk Lead                   |
| Member       | Michael Brymer       | Commercial Services Manager                 | Commercial Services Risk Lead               |
| Member       | tbc                  | Health and Wellbeing Manager                | Health & Wellbeing Risk Lead                |
| Member       | Donna Reddish        | Policy and Communications Manager           | Policy & Comms. Risk Lead                   |
| Member       | Cllr Sharon Blank    | Cabinet Member for Governance               | Independent                                 |
| Attendee     | Peter Schriewersmann | PPP Site Director                           | PPP – arvato/Kier                           |
| Attendee     | Sam Sherlock         | Emergency Planning & Business Continuity    | Business Continuity Support                 |
|              | Gerard Rogers        | Regulatory & Local Government Law Manager   | Legal Service and Monitoring Officer        |
| Attendee     | Jenny Williams       | Head of Internal Audit                      | Internal Audit Representative               |
| Attendee     | Marc Jasinski        | Health and Safety                           | Health & Safety Representative              |
| Attendee     | Richard Staniforth   | Deputy Chief Accountant                     | Finance , Risk & Insurance Representative   |
| Attendee     | Paul Robertson       | Insurance                                   | Insurance Representative                    |
| Attendee     | Mick Blythe          | PPP Client Officer                          | PPP Client Representative                   |

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**Corporate Risk Register Summary**



| Risk Reference |  | Risk Rating (Maximum Score = 25) |         |        |
|----------------|--|----------------------------------|---------|--------|
|                |  | Start of Year                    | Current | Target |
| CR1            | Having a Sustainable Financial Plan - the ability to deliver priority services with the resources available.   | 15                               | 15      | 15     |
| CR2            | Transformation / Change Management - managing change effectively to deliver the required transformational changes and savings.   | 12                               | 12      | 8      |
| CR3            | Workforce - to ensure that we have the right skills and capacity to deliver the Council's priorities.  | 9                                | 9       | 6      |
| CR4            | Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.   | 9                                | 16      | 16     |
| CR5            | Emergency Planning & Business Continuity - to ensure that we are able to respond effectively to unexpected events, minimising any damage caused and keeping services running.                        | 8                                | 8       | 8      |
| CR6            | Protecting the Public & Staff (Health & Safety) - to ensure that we have systems in place to reduce the risk of accidents occurring and their severity.  | 9                                | 12      | 16     |
| CR7            | Welfare Reform   | N/A                              | N/A     | N/A    |
| CR8a           | Information Governance - PSN compliance.   | 8                                | 12      | 8      |
| CR8b           | Information Governance (Data Security) - to comply with the statutory and other requirements to ensure that the data we hold is held securely.   | 16                               | 12      | 6      |
| CR9            | Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money.  | 12                               | 12      | 16     |
| CR10           | Local and National Elections   | N/A                              | N/A     | N/A    |
| CR11           | Key Partnerships (e.g. PPP, Veolia) - to ensure that partnerships are used to support the delivery of the Council's priorities and that they are delivered to the specified standard.                | 12                               | 12      | 16     |
| CR12           | The provision of Social Housing - ensuring that the Council is able to support delivery of social housing and that there is a sustainable business plan for the Housing Revenue Account.             | 15                               | 15      | 12     |
| CR13           | Safeguarding Children and Vulnerable Adults - the ability to fulfill our moral and legal obligations to ensure a duty of care for children and vulnerable adults across our services and facilities. | 12                               | 12      | 8      |
| CR14           | Combined Authority   | N/A                              | N/A     | N/A    |
| CR15           | Non-Housing Property Maintenance Programme & Funding.  | 12                               | 12      | 4      |
| CR16           | Brexit   | 12                               | 12      | 9      |



### Corporate Risk Register

| REF | RISK DESCRIPTION (HEADLINE)   | RISK CAUSE   | RISK EFFECT  | EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK   | CURRENT RISK RATING |        |                   | FURTHER ACTION REQUIRED  | TARGET RISK RATING |        |                   | TARGET COMPLETION DATE(S)  | RISK LEAD (initials)                                |
|-----|---|--|--|---|---------------------|--------|-------------------|--|--------------------|--------|-------------------|--|---|
|     |   |  |  |   | LIKELIHOOD          | IMPACT | RISK RATING (LxI) |  | LIKELIHOOD         | IMPACT | RISK RATING (LxI) |  |   |
| CR1 | Having a Sustainable Financial Plan - the ability to deliver priority services with the resources available.  | Changes in:<br>- RSG, Business Rates retention & Growth, Council Tax limitation & collection rates, New Homes Bonus, etc.<br>- Cost pressures e.g. pensions, pay, inflation, interest rates etc.<br>- Other unforeseen events<br>- Contracts - re-tender of the Waste Contract in 2018                     | - Re-assessment of the range & scope of services currently provided & the Corporate Plan priorities.<br>- Short-term use of reserves<br>- Worst case - financial failure<br>- Critical external inspection / audit reports<br>- Damage to reputation<br>- Public expectations / reaction<br>- Loss of member confidence<br>- Loss of staff morale<br>- Impact on Asset Management Plan<br>- Significant increase in the cost of the waste contract | - 5 year MTFP produced<br>- Prudent assumptions re income levels and collection rates<br>- Budget monitoring & reporting (to FPG, Scutiny & Cabinet)<br>- Great Place: Great Service Programme approved<br>- Asset Management Plan<br>- Budget Challenge sessions<br>- Expenditure and vacancy control                                  | 3                   | 5      | 15                | - Horizon scanning to identify future pressures & opportunities (on-going)<br>- Assess implications of Local Gov't Finance review - NH&B, retained business rates<br>- Rigorous budget monitoring to identify variances early & implement corrective action (quarterly)<br>- Regularly update the assumptions in the 5 year MTFP & model the options (quarterly)<br>- Delivering the savings targets included in the budget and identify further significant savings or income generation<br>- CMT / Exec Members Budget Group to identify & implement further budget cuts required to eliminate forecast deficits (on going)<br>- Development of trading opportunities to increase income<br>- Assess the business rates devolution proposals at the nation and the SCR CA level. | 3                  | 5      | 15                | Short / Med term - balanced budget in Feb each year<br>Med / Long term - self sufficient by 2020 | DoF&R<br>Supported by SLT                           |
| CR2 | Transformation / Change Management - managing change effectively to deliver the required transformational changes and savings.  | - Failure to develop & implement the required projects due to capacity issues, skills gaps, resistance to change, poor project management etc.<br>- Competitor responses and other challenges to commercial activities.  | - Loss of expertise and/or experienced staff<br>- Scarce resources not used effectively<br>- Budget shortfalls<br>- Delivery timelines not adhered to<br>- Increase in financial costs<br>- Legal, financial and reputational implications if commercial activities not structured and managed   | - Transformation strategy produced<br>- Project academy<br>- Increased focus on commercialisation<br>- Great Place: Great Service programme<br>- Staff and Union consultation<br>- Political leadership & TU's meetings<br>- £150k budget approved in 2016/17 to finance additional resources required to implement the savings targets | 3                   | 4      | 12                | - Delivery of the current savings targets<br>- CMT to prioritise resources onto cash releasing projects<br>- Identify and secure other savings required to bridge any forecast deficit<br>- Post implementation reviews<br>- Training of a wider group of staff in transformation techniques<br>- Improving communications and engagement with staff<br>- 'Solid Foundations' work in GPGS<br>- Develop the Target Operating Model (TOM)   | 2                  | 4      | 8                 | March 2018   | Business Transformation Manager<br>Supported by SLT |
| CR3 | Workforce - to ensure that we have the right skills and capacity to deliver the Council's priorities.   | - Loss of key people within the organisation e.g. loss of corporate memory and key skills<br>- Lack of training - due to for example budgetary pressures<br>- No effective succession planning<br>- Difficulties in recruitment and retention of key skills / staff<br>- Lack of mid to long term planning | - Inability to deliver services to the desired standard or projects effectively<br>- Performance suffers due to low morale & job fears<br>- Increased sickness (stress related)<br>- Impact on staff health & well being<br>- Financial e.g. severance costs arrangements  | - Draft Workforce Strategy produced<br>- EPD process / Competency frameworks<br>- Communications - Leader / CEO staff briefings, Borough Bulletin etc.<br>- Internal Comms Strategy<br>- SLT / CMT restructure  | 3                   | 3      | 9                 | - Workforce strategy to be approved (Apr '16)<br>- Identify opportunities for staff development & succession planning (EPD process - June '15)<br>- Review of staffing (as per service plans)<br>- Voluntary redundancy / early retirement scheme (on-going). Implement CMT restructure (Q1 16/17)   | 3                  | 2      | 6                 | March 2018   | Service Managers                                    |
| CR4 | Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.                  | - Lack of resources and expertise to develop the infrastructure and manage the technology life cycle<br>- Ad-hoc development and flawed project documentation<br>- Reliance on Partner expertise and resources   | - Inefficient & expensive services<br>- Poor service outcomes<br>- Additional Project delays   | - ICT Strategy written & governance structure in place<br>- Invest-to-Save budgets approved.<br>- Strategies incorporated into GP:GS  | 4                   | 4      | 16                | - Resource and implement the ICT strategy and Invest significant financial capital<br>- Enforce new governance<br>- Centralise ICT budgets<br>- Improve project documentation<br>- Rationalise ICT assets  | 4                  | 4      | 16                | March 2018   | PPP Client Officer<br>Supported by SLT              |
| CR5 | Emergency Planning & Business Continuity - to ensure that we are able to respond effectively to unexpected events, minimising any damage caused and keeping services running. | Inadequate or untested plans in place to respond to extreme events (e.g. severe weather, flooding, flu panemics)   | - Loss of damage to life or property<br>- Financial (loss of revenue / additional costs)<br>- Disruption to services<br>- Damage to reputation   | - Robust plans in place<br>- Test exercise undertaken<br>- Commission advice from DCC<br>- Snow Wardens scheme<br>- Improvements to ICT controls and back-up systems approved   | 2                   | 4      | 8                 | -Continue to update plans to take account of new & emerging matters<br>- Services area BCP's, including Business Impact Analysis, to be completed, regularly reviewed & additional measures implemented  | 2                  | 4      | 8                 | March 2018   | Emergency Planning Officer<br>Service Managers      |



**Corporate Risk Register**

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| REF  | RISK DESCRIPTION (HEADLINE)  | RISK CAUSE   | RISK EFFECT   | EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK  | CURRENT RISK RATING |        |                   | FURTHER ACTION REQUIRED   | TARGET RISK RATING |        |                   | TARGET COMPLETION DATE(S) | RISK LEAD (initials)                       |
|------|--|--|---|--|---------------------|--------|-------------------|---|--------------------|--------|-------------------|---------------------------|--|
|      |  |  |   |  | LIKELIHOOD          | IMPACT | RISK RATING (LxI) |   | LIKELIHOOD         | IMPACT | RISK RATING (LxI) |                           |  |
| CR6  | Protecting the Public & Staff (Health & Safety) to ensure that we have systems in place to reduce the risk of accidents occurring and their severity.                                    | - Failure to manage the health & safety risk of the Council's undertakings<br>- Lack of training<br>- Budget pressures<br>- Ageing infrastructure  | - Death or injury<br>- Damage to property or the environment<br>- Litigation or prosecutions<br>- Financial - claims<br>- Damage to reputation  | - Corporate H&S group established<br>- Preparation of Corporate H&S policy<br>- 3 year H&S Improvement Programme agreed<br>- Service level H&S plans<br>- Control of contractors procedures & group established<br>- Transport Code of Practice approved & being implemented<br>- Two external H&S audits<br>- Internal audit methodology developed and agreed<br>- Record training undertaken and monitor refresh dates | 4                   | 3      | 12                | Corporate H&S staff to undertake audits to ensure that:<br>a) Policies and procedures are implemented and reviewed regularly; and<br>b) the actions in the improvement programme are implemented<br>c) Further resource H&S Improved on-line training systems   | 4                  | 4      | 16                | Ongoing                   | Business Transformation Manager            |
| CR8a | Information Governance - PSN compliance.   | Failure to gain PSN compliance and maintain a secure and up-to-date ICT infrastructure   | - Service disruption - Data exchange with Government departments restricted<br>- ICT network suffers breach or attack<br>- Reputational damage<br>- Financial loss  | - Compliance achieved to July '16<br>- IT health check commissioned for Jan '16<br>- Reviewed and updated IT security audit  | 3                   | 4      | 12                | - IT health check mitigation plan<br>- Ongoing review of IT health and action plan to remove known issues   | 4                  | 2      | 8                 | Ongoing                   | PPP Client Officer and Law Manager (SIRO)  |
| CR8b | Information Governance (Data Security) - to comply with the statutory and other requirements to ensure that the data we hold is held securely.   | Data breach  | - Reputation damage<br>- Financial Loss<br>- Service disruption<br>- Poor customer outcomes   | - Ensure statutory requirements are met<br>- All staff given information security training in 2015 and 2016  | 3                   | 4      | 12                | - Information Assurance Manager in post<br>- Recruit to post of Information Rights Officer<br>- Implement new Information Assurance Strategy<br>- Review of policies and procedures<br>- Provide online training (as part of new online corporate training package) to staff, especially those with key and statutory roles.  | 2                  | 3      | 6                 | March 2018                | CCC Manage / Information Assurance Manager |
| CR9  | Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money.  | Failure to adequately manage Council contracts   | Financial impact (valuable funding is used for rectification costs)<br>- Increase in staff resource to defend the challenge<br>- Potential litigation and fines being procured<br>- The Council does not receive value for money<br>- Discouraged providers may not tender for the contract in the future - potentially reducing the portfolio of providers   | - Dedicated procurement & legal team of support where necessary on contract management<br>- policies and procedures in place<br>- scheme of delegation and guidance available<br>- staff have been trained in general contractor management<br>- New and specific contractor management training commenced during 2015<br>- New procurement contract with NHS  | 3                   | 4      | 12                | - Continue the roll out of the new training on contract management by the Corporate H&S team<br>- Develop a Contracts Register and commence additional procurement training with links to contractor management   | 4                  | 4      | 16                | Ongoing                   | Business Transformation Manager            |
| CR11 | Key Partnerships (e.g. PPP, Veolia) - to ensure that partnerships are used to support the delivery of the Council's priorities and that they are delivered to the specified standard.    | - Partnerships not delivered as promised<br>- Breakdown in a key partnership relationship  | - Reputation damage<br>- Loss of trust<br>- Service disruption  | - Strategic board in place for PPP<br>- Client function and supporting key Pis<br>- Focus on HYR and ICT   | 3                   | 4      | 12                | - Negotiations taking place with key partners around contract delivery<br>- Begin preparations for the Waste Collection re-tender in 2018<br>- SLT / CMT to develop relationships with key strategic partners   | 4                  | 4      | 16                | Ongoing                   | CCC Manager<br>Commercial Services Manager |
| CR12 | The provision of Social Housing - ensuring that the Council is able to support delivery of social housing and that there is a sustainable business plan for the Housing Revenue Account. | - Requirement to make an annual payment to Government reflecting the market value of high value housing likely to become vacant during that year and/or sell the most valuable Council housing stock as it becomes vacant.<br>- Government controls on housing rents contrary to those agreed in self-financing statement<br>- Requirement to charge a market or near market rent for households with an income of over £30,000<br>- Removal of Lifetime Tenancies for new tenants and replaced with a fixed term tenancy of between 2 to 5 years.<br>- Introduction of a cap in the amount of rent that housing benefit will cover relevant to the LHA. | - Reduced resources within the HRA business plan due to the loss of rent income and/or increased rent arrears.<br>- Loss of stock and inability to replace the stock which is sold due to reduced resources.<br>- Increase in Right to Buy sales<br>- Risk of being required to repay retained Right to Buy 1-4-1 receipts to Government<br>- Increased administrative burden in implementing new policies. | - Using the Business Planning system to model the implications of possible scenarios.<br>- Reproofing of work / policies and procedures to achieve tenancy sustainment, deliver new policies   | 3                   | 5      | 15                | - Refresh the HRA Business Plan<br>- Re-phasing of capital investment<br>- Increased borrowing<br>- Use of working balance<br>- Review the debt repayment policy<br>- Commission a stock conditioning survey<br>- Review of repairs and maintenance standards and lifecycles of building components / asset performance / procurement to achieve efficiencies / revised stock condition survey against these revised standards. | 3                  | 4      | 12                | Ongoing                   | Housing Mgt Team                           |



### Corporate Risk Register

| REF  | RISK DESCRIPTION (HEADLINE)  | RISK CAUSE   | RISK EFFECT  | EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK  | CURRENT RISK RATING |        |                   | FURTHER ACTION REQUIRED   | TARGET RISK RATING |        |                   | TARGET COMPLETION DATE(S) | RISK LEAD (initials) |
|------|--|--|--|--|---------------------|--------|-------------------|---|--------------------|--------|-------------------|---------------------------|----------------------|
|      |  |  |  |  | LIKELIHOOD          | IMPACT | RISK RATING (LxI) |   | LIKELIHOOD         | IMPACT | RISK RATING (LxI) |                           |                      |
| CR13 | Safeguarding Children and Vulnerable Adults the ability to fulfill our moral and legal obligations to ensure a duty of care for children and vulnerable adults across our services and facilities. | Inadequate policies, procedures, learning and development partnership working to safeguard children and vulnerable adults living in our communities, using our services and to protect the council, its staff (including agency staff), elected members and volunteers | <ul style="list-style-type: none"> <li>- Negative impact on the well-being of children and vulnerable adults</li> <li>- Reputation damage</li> <li>- Public expectations / reaction</li> <li>- Loss of Trust</li> <li>- Loss of Member confidence</li> <li>- Loss of staff morale</li> <li>- Critical external inspection / investigation</li> </ul> | <ul style="list-style-type: none"> <li>- Safeguarding lead roles identified</li> <li>- Safeguarding group established to develop effective response, audit and share best practice</li> <li>- Strong dialogue and engagement with key partners on Derbyshire Safeguarding Board</li> </ul> | 3                   | 4      | 12                | <ul style="list-style-type: none"> <li>- Policy and procedures are being updated (Cabinet Dec 2015)</li> <li>- Learning and development requirements are being established and progressed</li> <li>- Pilot activity planned with key partners</li> <li>- Annual audit activity</li> </ul> | 2                  | 4      | 8                 | Ongoing                   | Exec Director<br>All |



## **For publication**

### **National Fraud Initiative**

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|                    |                                   |
|--------------------|-----------------------------------|
| Meeting:           | Standards and Audit Committee     |
| Date:              | 22nd November 2017                |
| Cabinet portfolio: | Governance                        |
| Report by:         | Internal Audit Consortium Manager |

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## **For publication**

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### **1.0 Purpose of report**

- 1.1 To present for members' information a summary of the results of the 2016/17 National Fraud Initiative (NFI) for Chesterfield Borough Council.

### **2.0 Recommendation**

- 2.1 That the report be noted.

### **3.0 Report details**

- 3.1 Every 2 years the Audit Commission undertook the National Fraud Initiative Data Matching Exercise. Now that the Audit Commission no longer exists, responsibility for NFI has moved to the Cabinet Office and is set to continue. Local Authorities are required to supply various data sets which they process and match with other local authorities and participating organisations to try to highlight potential cases for further investigation. It should be noted that the existence of a match does not necessarily indicate that any form of fraud has taken place and each match needs to be investigated further.

- 3.2 The NFI website states that all users should have undergone appropriate pre-employment screening checks to ensure that the threat to the system or the information is mitigated as far as possible and as such recommends that the HMG Baseline Personnel Security Standard (BPSS) is adhered to.
- 3.3 This covers an identity check; nationality and immigration status check; employment history check and a criminal record check (unspent convictions only).
- 3.4 A review of users highlighted a number that have not been subject to the above checks. ( 3xCBC and 2xArvato users).
- 3.5 Approval has been obtained to initiate the BPSS check for these users, which once completed will ensure compliance with the NFI user instructions.
- 3.6 Data was downloaded in October 2016 and the reports were released to local authorities to commence their reviews in February 2017.
- 3.7 The results are made available through a secure web site where details of the results of investigations can be recorded together with the amount of any errors or frauds identified.
- 3.8 To assist the examination of reported matches, reports are classified as High, Medium or Low quality (there is a fourth little used category of 'for information'). Within each report, certain matches are highlighted as 'recommended', these being considered the better quality matches.
- 3.9 The main reports generated related to housing benefit claimants, payroll, creditor and housing tenant data. Council Tax (single person discount) matches are subject to a separate annual data matching exercise, with these results being reviewed by Arvato Revenues staff.
- 3.10 The matching now includes credit referencing capability (this gives access to comprehensive data relating to an individual, and

their personal and financial circumstances), however as this involves additional cost this element has not been utilised

### **SUMMARY OF THE RESULTS OF THE 2016/17 NFI FOR CHESTERFIELD**

3.11 The following reports were received:

|                 |                  |
|-----------------|------------------|
| High Quality    | 40               |
| Medium Quality  | 10               |
| Low Quality     | 8                |
| For information | <u>1</u>         |
| <b>Total</b>    | <b><u>59</u></b> |

3.12 The above reports contained 1,678 matches (1,354 excluding matches in previous years occurring again) in total of which 253 were recommended matches (234 excluding matches in previous years). In 2014/15 there were 2,152 matches, 289 of which were recommended matches (1,639 and 231 respectively - excluding matches in previous years occurring again). In total, 128,381 records were submitted to NFI in October 2016:

- Housing Right to Buy – 1903
- Housing Current Tenants – 11343
- Housing Former Tenants – 232
- Alcohol Licences – 202
- Market Traders – 140
- Taxi Drivers – 536
- Payroll – 960
- Resident Parking Permits – 1720
- Trade Creditor Payment History – 107574
- Trade Creditor Standing Data – 3771

3.13 By the end of September 2017, 286 matches were reviewed which included all 253 high quality recommended matches. In reviewing matches, priority was given to recommended matches in reports classified as High Quality (100% reviewed).

3.14 No errors were identified.

- 3.15 Overall 286 matches have been reviewed out of 1,678 reported. In view of the fact that no frauds/errors have been identified in the matches reviewed it is not proposed to undertake checks on the remaining matches due to resource requirements and limited likelihood of identifying errors or frauds.
- 3.16 Risk Management Issues – There is a risk that there could be fraud or errors within the matches that have not been investigated, however, by concentrating on the high quality recommended matches this risk is minimised.
- 3.17 Financial - the investigation of matches has been undertaken within current staffing resources.

#### **4 Alternative options and reasons for rejection**

- 4.1 The report is for information.

#### **5 Recommendation**

- 5.1 That the report be noted.

#### **6 Reasons for recommendation**

- 6.1 To inform Members of the results of the 2016/17 NFI.

#### **Decision information**

|   |  |
|---|--|
| <b>Key decision number</b>              | N/A  |
| <b>Wards affected</b>                   | All  |
| <b>Links to Council Plan priorities</b> | This report links to the Council's priority to provide value for money services. |

#### **Document information**

|   |  |
|---|--|
| <b>Report author</b>                              | <b>Contact number/email</b>                                |
| <b>Jenny Williams – Internal Audit Consortium</b> | <b>01246 345468<br/>Jenny.williams@chesterfield.gov.uk</b> |

|   |  |
|---|--|
| <b>Manager</b>  |  |
| <b>Background documents</b><br>These are unpublished works which have been relied on to a material extent when the report was prepared. |  |
|   |  |
| <b>Appendices to the report</b>   |  |
|   |  |

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## **For publication**

### **Summary of Internal Audit Reports Issued 2017/18**

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|                    |                                   |
|--------------------|-----------------------------------|
| Meeting:           | Standards and Audit Committee     |
| Date:              | 22nd November 2017                |
| Cabinet portfolio: | Governance                        |
| Report by:         | Internal Audit Consortium Manager |

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## **For publication**

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### **1.0 Purpose of report**

- 1.1 To present for members' information a summary of Internal Audit Reports issued during the period 26th August 2017 – 20th October 2017 in respect of reports issued relating to the 2017/18 internal audit plan.

### **2.0 Recommendations**

- 2.1 That the report be noted.
- 2.2 That Members decide if they wish to call in any Officers to the next meeting to provide a further update in respect of the "Limited" assurance reports.

### **3.0 Report details**

- 3.1 The Public Sector Internal Audit Standards require that the Internal Audit Consortium Manager reports periodically to the Standards and Audit Committee in respect of performance against the audit plan. Significant risk and control issues should also be reported.

- 3.2 Attached, as Appendix A, is a summary of reports issued covering the period 26th August 2017 to 20th October 2017, for audits included in the 2017/18 internal audit plan.
- 3.3 As requested previously, Members have been provided with copies of reports that have been issued with a limited or inadequate audit opinion. This period, 3 limited assurance internal audit reports have been issued – Queens Park Sports Centre, Taxi Licensing and Data Protection. A summary of the key issues for each of these reports is detailed in Appendix B.
- 3.4 Appendix A shows for each report a summary of the scope and objectives of the audit, the overall conclusion of the audit and the number of recommendations made / agreed where a full response has been received.
- 3.5 The conclusion column of Appendix A gives an overall assessment of the assurance that can be given in terms of the controls in place and the system’s ability to meet its objectives and manage risk in line with the definitions below.

| <b>Assurance Level</b>       | <b>Definition</b>   |
|------------------------------|---|
| <b>Substantial Assurance</b> | There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.  |
| <b>Reasonable Assurance</b>  | The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.                     |
| <b>Limited Assurance</b>     | Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.                            |
| <b>Inadequate Assurance</b>  | There are fundamental control weaknesses, leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives. |



- 3.6 In respect of the audits being reported, it is confirmed that there were no issues arising relating to fraud that need to be brought to the Committees attention.
- 3.7 The production of this report ensures that Members charged with governance are aware of any internal control weaknesses or fraud identified by internal audit.

#### **4 Alternative options and reasons for rejection**

- 4.1 The report is for information.

#### **5 Recommendations**

- 5.1 That the report be noted.
- 5.2 That Members decide if they wish to call in any Officers to the next meeting to provide a further update in respect of the “Limited” assurance reports.

#### **6 Reasons for recommendations**

- 6.1 To inform Members of the internal audit reports issued in order that the strength of the internal controls in place can be assessed.

#### **Decision information**

|   |  |
|---|--|
| <b>Key decision number</b>              | N/A  |
| <b>Wards affected</b>                   | All  |
| <b>Links to Council Plan priorities</b> | This report links to the Council’s priority to provide value for money services. |

#### **Document information**

|   |  |
|---|--|
| <b>Report author</b>                                      | <b>Contact number/email</b>                                      |
| <b>Jenny Williams – Internal Audit Consortium Manager</b> | <b>01246 345468</b><br><b>Jenny.williams@chesterfield.gov.uk</b> |

|  |   |
|--|---|
|  |   |
| <b>Background documents</b>  |   |
| These are unpublished works which have been relied on to a material extent when the report was prepared. |   |
|  |   |
| <b>Appendices to the report</b>  |   |
| Appendix A   | Summary of Internal Audit Reports Issued  |
| Appendix B   | Summary of the key issues in relation to reports given a "limited assurance" opinion. |

**Chesterfield Borough Council – Internal Audit Consortium****Report to Standards and Audit Committee****Summary of Internal Audit Reports Issued 2017/18– Period 26th August 2017 – 20th October 2017**

| Report Ref No. | Report Title              | Scope & Objectives   | Overall Opinion      | Date          |              |                   | Number of Recommendations |          |
|----------------|---------------------------|--|----------------------|---------------|--------------|-------------------|---------------------------|----------|
|                |                           |  |                      | Report Issued | Response Due | Response Received | Made                      | Accepted |
| 11             | Queens Park Sports Centre | To ensure that the recommendations made at the last audit have been satisfactorily implemented.        | Limited Assurance    | 21/08/17      | 12/09/17     | 11/10/17          | 14 (7 M 7L)               | 14       |
| 12             | Non Domestic Rates        | To ensure that bills are raised promptly and accurately and that there are recovery processes in place | Reasonable Assurance | 31/8/17       | 21/9/17      | 8/9/17            | 3 (1M 2L)                 | 3        |

| Report Ref No. | Report Title                          | Scope & Objectives  | Overall Opinion       | Date          |              | Response Received | Number of Recommendations |          |
|----------------|---------------------------------------|---|-----------------------|---------------|--------------|-------------------|---------------------------|----------|
|                |                                       |   |                       | Report Issued | Response Due |                   | Made                      | Accepted |
| 13             | Taxi Licensing                        | To review the licensing process and to ensure that safeguarding issues are addressed  | Limited Assurance     | 8/9/17        | 29/9/17      | 19/9/17           | 7 (3H 3M 1L)              | 7        |
| 14             | Data Protection                       | To ensure that Data Protection Legislation is complied with and that the Council has plans to be able to achieve compliance with the new GDPR due to be introduced in May 2018. | Limited Assurance     | 22/9/17       | 13/10/17     | 29/9/17           | 7(5H 2M)                  | 7        |
| 15             | Cash and Bank (C & D book procedures) | To ensure that all income is recorded, received and banked appropriately  | Substantial Assurance | 25/09/17      | 16/10/17     | N/A               | 0                         | 0        |

| Report Ref No. | Report Title                     | Scope & Objectives   | Overall Opinion      | Date          |              |                   | Number of Recommendations |          |
|----------------|----------------------------------|--|----------------------|---------------|--------------|-------------------|---------------------------|----------|
|                |                                  |  |                      | Report Issued | Response Due | Response Received | Made                      | Accepted |
| 16             | Cash and Bank Independent Checks | To ensure that independent checks are performed in a timely manner | Reasonable Assurance | 25/9/17       | 16/10/17     | N/A               | 0                         | 0        |

## **Summary of the key issues in relation to reports given a “limited assurance” opinion.**

### **Queens Park Sports Centre**

The main findings were that:-

- A number of recommendations from the previous audit had not been fully implemented.
- It could not be evidenced that management checks were taking place regularly – there is a risk that this could lead to a loss of income.
- VAT issue that is with the system supplier for resolution.
- Inventory not up to date – if items are not recorded on the inventory there is a danger that they could go missing and that this would not be identified
- No checks on invoices from Zoggs in respect of sales of e.g. costumes and goggles – there is a risk that the invoices are not accurate or that stock is unaccounted for
- Fees and charges were not taken to Committee for approval in April 17 as is the normal procedure which has led to a potential loss of income.
- A procurement exercise has not been undertaken in respect of the sandwich supplier for the QPSC café. This means that value for money cannot be demonstrated and Financial Regulations and Standing Orders have not been complied with.

### **Taxi Licensing**

The main findings were:-

- No management checks between licences issued and amounts receipted through the kiosk payment machines therefore it would not be identified if licences were issued but the income never paid in (potential fraud).
- No reconciliation of the amounts received from NEDDC – inaccurate payments may be made.
- A weakness was identified in relation to the DBS renewal process meaning that not all drivers had a current DBS check. This could have serious reputational issues should an incident occur with a taxi driver that is found not have an up to date check in place.
- Taxi drivers have not received comprehensive training in respect of safeguarding issues.
- Members that sit on the Appeals and Regulatory Committee have not undertaken safeguarding training – this training is essential to ensure that informed decisions can be made.

The Licensing Manager will attend the Committee to provide an update

## **Data Protection**

The main findings were:-

- The Council's GDPR plan to meet compliance had not yet been approved or resourced – there is a risk that this is left too late making compliance by May 2018 extremely difficult.
- Despite regular reminders many staff had still not completed the mandatory training modules – In the event that there was a serious breach of data protection regulations one of the first questions the ICO would ask is have staff been appropriately trained – if the answer is no the Council is more likely to receive a fine which could be large.
- Data protection policies are pending approval by Cabinet.
- Populating the information asset register is an extremely large task that is outstanding.
- The review of the Council's forms to ensure that they contained adequate fair processing notifications has never been completed.

The Customers, Commissioning and Change Manager will be attending the Committee to provide an update.

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# Annual Audit Letter 2016/17

Chesterfield Borough  
Council

October 2017

# Contents

## Report sections

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- 2. Audit Fees 6

This report is addressed to the Chesterfield Borough Council (the Authority) and has been prepared for the sole use of the Authority. We take no responsibility to any member of staff acting in their individual capacities, or to third parties. Public Sector Audit Appointments issued a document entitled Statement of Responsibilities of Auditors and Audited Bodies summarising where the responsibilities of auditors begin and end and what is expected from audited bodies. We draw your attention to this document which is available on Public Sector Audit Appointments website ([www.psaa.co.uk](http://www.psaa.co.uk)).

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

We are committed to providing you with a high quality service. If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Tony Crawley, the engagement lead to the Authority, who will try to resolve your complaint. If you are dissatisfied with your response please contact the national lead partner for all of KPMG's work under our contract with Public Sector Audit Appointments Limited, Andrew Sayers ([andrew.sayers@kpmg.co.uk](mailto:andrew.sayers@kpmg.co.uk)). After this, if you are still dissatisfied with how your complaint has been handled you can access PSAA's complaints procedure by emailing [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk), by telephoning 020 7072 7445 or by writing to Public Sector Audit Appointments Limited, 3rd Floor, Local Government House, Smith Square, London, SW1P 3HZ.

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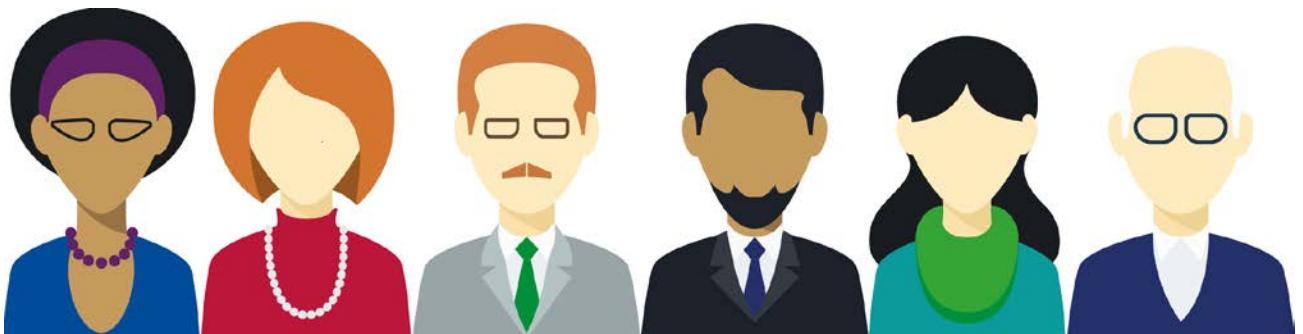
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## Section one

# Summary

This Annual Audit Letter summarises the outcome from our audit work at Chesterfield Borough Council in relation to the 2016/17 audit year. Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.

### VFM conclusion

We issued an unqualified conclusion on the Authority's arrangements to secure value for money (VFM) for 2016/17 on 26 September 2017. This means we are satisfied that during the year the Authority had appropriate arrangements for securing economy, efficiency and effectiveness in the use of its resources

To arrive at our conclusion we looked at the Authority's arrangements in regard to informed decision making, sustainable resource deployment and working with partners and third parties.

### VFM risk areas

We undertook a risk assessment as part of our VFM audit work to identify the key areas impacting on our VFM conclusion and considered the arrangements you have put in place to mitigate these risks.

Our work identified the following VFM risk as highlighted in our External Audit Plan 2016/17:

**Delivery of Financial and Savings Plans** - Along with the rest of Local Government, the Authority continues to face similar financial pressures and uncertainties to those experienced by others in the local government sector. The Authority needs to have effective arrangements in place for managing its annual budget, generating income and identifying and implementing any savings required to balance its medium term financial plan.

We reviewed the financial outturn position against original plans, comparing the outturn with both the original and revised estimates for the financial year.

The original budget set by the Authority for 2016/17 showed a deficit position of £236k after allowing for planned savings of £1,051k.

At the year end the Authority has been able to balance the General Fund with a £100k surplus in 2016/17 in financially challenging times. This outturn position provides the Authority with an improved level of financial resilience against risks including uncertainties relating to the reduction in Government grants, NNDR and New Homes Bonus, alongside some flexibility to enable it to invest either to save or to generate returns.

The Medium Term Financial Plan currently projects that planned savings in the next two years are less than those previously achieved. A deficit of £209k and £458k is being forecast for 2017/18 and 2018/19 respectively. Nevertheless, this represents a significant challenge as it becomes harder to make savings year after year, and the increasing localisation of financial risk means that there is less certainty about income levels. We will continue to discuss the position and the Authority's plans and options in our regular liaison meetings with senior officers.

### Audit opinion

We issued an unqualified opinion on the Authority's financial statements on 26 September 2017. This means that we believe the financial statements give a true and fair view of the financial position of the Authority and of its expenditure and income for the year.



## Section one

# Summary (cont.)

This Annual Audit Letter summarises the outcome from our audit work at Chesterfield Borough Council in relation to the 2016/17 audit year. Although it is addressed to Members of the Authority, it is also intended to communicate these key messages to key external stakeholders, including members of the public, and will be placed on the Authority's website.



### Financial statements audit

We did not identify any issues in the course of our audit that were considered to be material. To improve the transparency of financial reporting officers agreed that it would be better to show the impact of the change in the discount factor applied to social housing as an exceptional item on the face of the Comprehensive Income and Expenditure Statement in order to not confuse the underlying position. We identified a small number of presentational adjustments required to ensure that the accounts were compliant with the Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, which the Authority amended.

The Authority has good processes in place for the production of the accounts and good quality working papers. Officers dealt efficiently with audit queries and the audit process has been completed within the planned timescales.

### Other information accompanying the financial statements

We review other information that accompanies the financial statements to consider its material consistency with the audited accounts. We reviewed the Annual Governance Statement and Narrative Report. We concluded that they were consistent with our understanding of the Authority.

### Whole of Government Accounts

The Authority prepares a consolidation pack to support the production of Whole of Government Accounts by HM Treasury. We are not required to review your pack in detail as the Authority falls below the threshold where an audit is required. As required by the guidance we have confirmed this with the National Audit Office.

### High priority recommendations

We are pleased to report that there are no high risk recommendations arising from our 2016-17 audit work and there are no outstanding agreed high priority audit recommendations from prior years.

### Certificate

We issued our certificate on 26 September 2017. The certificate confirms that we have concluded the audit for 2016/17 in accordance with the requirements of the Local Audit & Accountability Act 2014 and the Code of Audit Practice.

### Audit fee

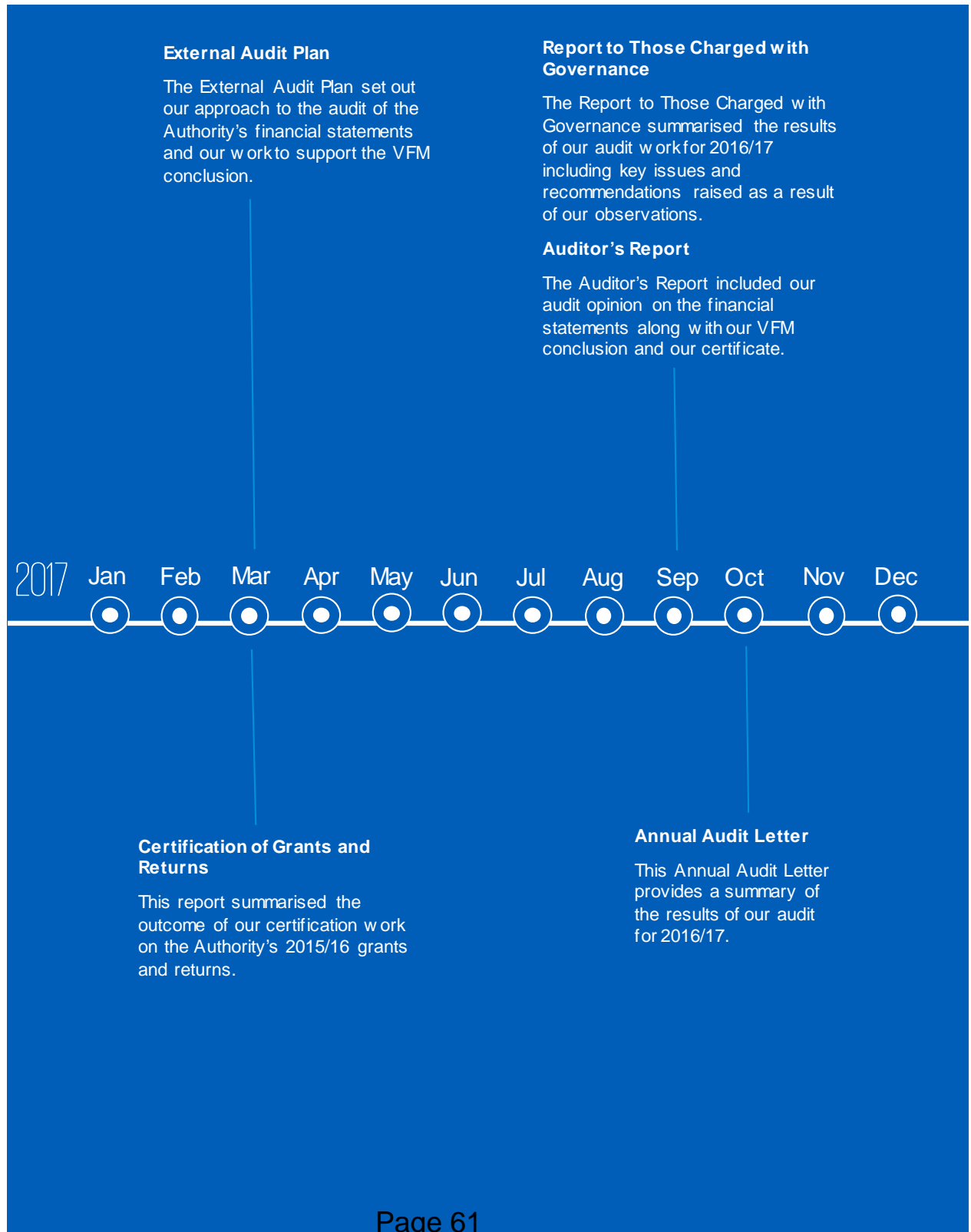
Our fee for 2016/17 was £52,445 excluding VAT, which is in line with the planned fee. There were no additional fees for the financial statements audit.

During the year we also completed the certification of the 2015-16 housing benefit claim (total fees £6,465) and a review of the pooling of capital receipts return (£3,000).

## Appendix 1

# Summary of reports issued

This appendix summarises the reports we issued since our last Annual Audit Letter.



## Appendix 2

# Audit fees

This appendix provides information on our final fees for the 2016/17 audit.

To ensure transparency about the extent of our fee relationship with the Authority we have summarised below the outturn against the 2016/17 planned audit fee.

### External audit

Our final fee for the 2016/17 audit of Chesterfield Borough Council was £52,445, which is in line with the planned fee. There were no additional fees.

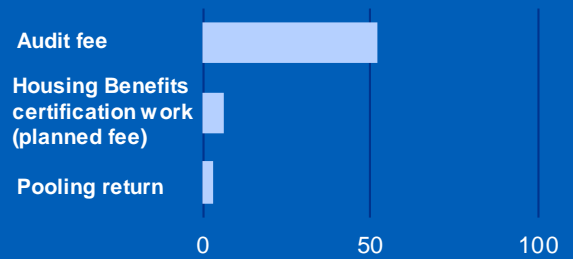
### Certification of grants and returns

Under our terms of engagement with Public Sector Audit Appointments we undertake prescribed work in order to certify the Authority's housing benefit grant claim. This certification work is still ongoing. The final fee will be confirmed through our reporting on the outcome of that work in March 2018.

### Other services

We reviewed the Pooling of Housing Capital receipts return for 2015/16 during this year. The fee for this work as **£3,000**.

External audit fees 2016/17  
(£'000)



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## For publication

### **Minor Changes to Delegation Scheme and Planning Committee Procedures**

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Date: 22 November 2017

Committee: Standards and Audit Committee

Report by: Development Management & Conservation Manager, and Monitoring Officer

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## **For publication**

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### **1.0 Purpose of Report**

1.1 Planning Committee and Cabinet Member for Economic Growth have carried out a review of the Council's delegation scheme relating to application determination and planning committee procedures. Approval of this Committee is required so the changes can be incorporated into Part 3 of the Constitution.

### **2.0 Background**

2.1 Chesterfield Borough Council has an agreed delegation scheme which is part of its Constitution and which was previously reviewed in 2009 along with its guidance documents relating to the operation of planning committee, namely:

- Your View Your Voice – speaking at Planning Committee;
- Planning Committee site visits
- Planning Committee procedures

2.2 Planning Committee agreed the changes (with minor updates to procedures) on 30<sup>th</sup> October 2017 and Cabinet Member for Economic Growth agreed them on 10<sup>th</sup> November.

### **3.0 Government Approach**

3.1 Government advice in National Planning Guidance sets out the process

and expectations on planning performance and decision making. It makes it clear that once a planning application has been validated, the local planning authority should make a decision on the proposal as quickly as possible, and in any event within the statutory time limit unless a longer period is agreed in writing.

- 3.2 [Section 62B of the Town and Country Planning Act 1990 \(as amended\)](#) allows the Secretary of State to designate local planning authorities that “are not adequately performing their function of determining applications”, when assessed against [published criteria](#).

Those criteria relate to:

- The speed of decisions made by local planning authorities for applications for major and non-major development, measured by the percentage of applications that have been determined within the statutory period or such extended time as has been agreed between the local planning authority and the applicant
- The quality of decisions made by local planning authorities for applications for major and non-major development, measured by the proportion of decisions on applications that are subsequently overturned at appeal (including those arising from a ‘deemed refusal’ where an application has not been determined within the statutory period)

If a local planning authority falls below the performance thresholds set out in the criteria it may be designated for its performance in relation to applications for major development, non-major development, or both.

- 3.3 [Section 101 of the Local Government Act 1972](#) allows the local planning authority to arrange for the discharge any of its functions by a committee, sub-committee, or an officer or by any other local authority. The exercise of the power to delegate planning functions is generally a matter for individual local planning authorities, having regard to practical considerations including the need for efficient decision-taking and local transparency. It is in the public interest however for the local planning authority to have effective delegation arrangements in place to ensure that decisions on planning applications that raise no significant planning issues are made quickly and that resources are appropriately concentrated on the applications of greatest significance to the local area.

## 4.0 The Current Delegation Scheme and Committee Procedures

4.1 The current agreed Delegation scheme sets out the framework for the split between officer decisions and those which need planning committee consideration. The scheme is arranged such that the committee considers those proposals which are more controversial or complex and which add value through planning committee consideration. This generally results in a more transparent decision being taken.

4.2 The agreed scheme says:

P140D To determine all applications for planning permission EXCEPT for the following categories. These excepted categories are shown in column 1 of the following table, and are for determination by the planning committee. In some cases there is a qualification, shown in column 2. Where there is a qualification shown in column 2, applications within the scope of that qualification are for determination by the delegated officers

| <b>Col 1 - Planning Committee</b>   | <b>Col 2 - Delegated Officers</b>   |
|---|---|
| Where the proposal is contrary to the policies of the adopted development plan.   | Where the proposal is contrary to the development plan but <ul style="list-style-type: none"> <li>▪ nevertheless accords with surrounding uses or</li> <li>▪ permission is to be refused</li> </ul> |
| Where the proposal involves the Borough or County Council either as applicant or land owner and the scheme is of a major nature.                      | Where the proposal involves the Borough or County Council either as applicant or land owner and the scheme is of a minor nature.  |
| Where the applicant is a councillor.  |   |
| Where the applicant is an officer of the Council who could be seen as having a direct input to, and therefore influence on, the application decision. |   |
| Where the application is for telecommunications development and one or more objections is received.   | Where the application is for telecommunications development and no objection is received.   |

|  |  |
|--|--|
| Where the application is for dwelling/s or residential development where any objection is received.  | Where the application is for dwelling/s or residential development where any objection is received, and <ul style="list-style-type: none"> <li>· the proposal is contrary to a policy (or policies) of the adopted Local Plan or Local Development Framework and is recommended by the Development Management and Conservation Manager to be refused or</li> <li>· the only objection is from the Highway Authority and is not on the grounds of public safety or</li> <li>· the substance of all objections received does not constitute any material planning consideration</li> </ul> |
| Where five or more objections are received to the proposal.  | Where up to four objections are received to the proposal.  |
| Where a Chesterfield Borough councillor makes a written or e-mail request for any application to be considered by planning committee.            |  |
| In any case where the Development Management and Conservation Manager considers that the application should be considered by planning committee. |  |

#### 4.3 Analysis of last 2/3 years decisions:

| Year        | Total decisions | No of meetings | Committee decisions | % Delegation/Committee split |
|-------------|-----------------|----------------|---------------------|------------------------------|
| 2015        | 489             | 17             | 62                  | 87.3/12.7                    |
| 2016        | 507             | 17             | 68                  | 86.6/13.4                    |
| 2017 so far | 385             | 12             | 40                  | 89.6/10.4                    |

NB: the number of decisions referred to in the table excludes Prior Approvals; Non Material Amendments, Tree applications, CLOPUDs,

Temporary Permitted Development submissions, EIA determinations and those applications which have been withdrawn.

#### 4.4 Breakdown of committee decisions by category

| Year        | Committee decisions | Delegation scheme category  | Site visits | speakers | Decisions contrary to officer recommendation   |
|-------------|---------------------|---|-------------|----------|--|
| 2015        | 62                  | 2 Departures<br>1 Telecom<br>40 housing<br>13 5+ objection<br>7 Officer referred        | 61          | 68       | 4<br>1 Highfield Road<br>33 Westmoor Lane<br>Walton Works<br>Dunston Lane  |
| 2016        | 68                  | 7 Departures<br>1 CBC applicant<br>46 housing<br>10 5+ objection<br>11 Officer referred | 68          | 74       | 1<br>195 Old Hall Road   |
| 2017 so far | 40                  | 1 Departures<br>1 cllr referred<br>26 housing<br>10 5+ objection<br>6 Officer referred  | 38          | 45       | 7<br>1 Branton Close<br>Oldfield farm<br>The Shrubberies<br>Troughbrook Road<br>Thompson Street<br>Rear Crispin PH x 2 |

### 5.0 Benchmark with Other Derbyshire Authorities Delegation Schemes

5.1 In general all Derbyshire authorities have delegation schemes similar to Chesterfield whereby all planning application decision making is permitted by officers with a number of exceptions which are set out.

Each authorities scheme is however subtly different but all such schemes include opportunities for local members to request a committee consideration with adequate reasons being provided and for officers to refer proposals to committee where it is considered to be of significant public interest and / or would have major impact on the environment for example.

- 5.2 Most schemes allow a number of objections before the item is turned into a committee item however the High Peak scheme does not base itself on the number of objections received in any of its categories but does set thresholds of site area, floorspace or number of dwellings proposed (15 and over).
- 5.3 The North East Derbyshire scheme has however more complicated elements in that it requires that where a delegation decision is to be taken contrary to any material representations received, detail of the intended decision has to be forwarded to the relevant ward councillors and chair of committee and they are allowed 48 hours to determine that the matter should be a committee matter. No response results in the default to an officer decision. It is also a requirement that full reasons for the decision are required.
- 5.4 Without exception all Derbyshire Authorities have procedures set out which allow the public to address planning committee and all schemes general follow similar limitations and processes however there are inevitable differences.

## **6.0 Consideration of Potential for Change**

- 6.1 There is an opportunity to change the delegation scheme if it can be shown that it is in need of change.
- 6.2 For planning application determination an assessment suggests that the scheme is sufficiently refined and generally working well however there is an omission in that it does not refer to the opportunity for the local MPs to call a scheme to committee (with adequate reasoning) in the same way as local members can do. This opportunity should be included in an updated Delegation scheme.
- 6.3 It is also considered that some clarification/qualification would be useful in so far as the requirement to report to planning committee where 5 or more objections have been received. It is considered that this should be

on the same basis as for objections to dwellings with a qualification that it can still be delegated to officers if the proposal is contrary to a policy (or policies) of the adopted Local Plan or Local Development Framework and is recommended by the Development Management and Conservation Manager to be refused or if the substance of all objections received does not constitute any material planning consideration. The opportunity should also be taken to include this in the Delegation scheme.

- 6.4 The determination of EIA development (scoping and screening) is currently delegated to the Economic Growth Manager under reference P760D. It states: *in connection with any application for planning permission, to carry out any function of the Council as local planning authority under the TCP (Environmental Impact Assessment) (England and Wales) Regulations 1999, including:*
- *determining whether any development is Environmental Impact Assessment development;*
  - *requiring an Environmental Statement.*

This requires an update to make reference to the current regulations which are the TCP(Environmental Impact Assessment)(England and Wales) Regulations 2017 and to change the delegation to the Development Management & Conservation Manager.

- 6.4 The existing Delegation scheme is generally resulting in an appropriate split between delegation and committee and which generally accords with the 90/10 split which was advocated by the government and which was a few years ago a bvpi target.
- 6.5 In the meeting in May 2017 a request was made for consideration of the suggestion of a chair and vice chair meeting on all decisions to decide on which applications can be dealt with at officer level. Such a scheme would effectively result in no delegation to officers and which would not be appropriate. Decisions are taken on a daily basis and, with the current volume of applications, often results in many decisions being issued on day 55/56 (out of 56) and such a process would inevitably result in delay and decisions being taken beyond the timeframe having the consequence of resulting in poor performance on timely decision making. This would also result in regular (if not daily) meetings with the chair and vice chair which is not practical.
- 6.6 Planning committee business can vary from one meeting to the next

with periods of less activity and those where many major or complex proposals are being reported. There have been meetings which have been cancelled because of lack of business and meetings where up to 10 items have been considered (30<sup>th</sup> August 2016). It is considered that there is no ideal number of items for committee consideration at each meeting. Evidence since 2015 shows that the committee most often includes between 3 and 4 items (average) and regularly takes between 1 and 2 hours to debate and decide the most controversial applications. Meetings usually finish between 17:00 and 18:00 however they have extended beyond this for the larger agendas.

## 7.0 Conclusions

7.1 With addition of the opportunity for the local MPs to call matters to planning committee it is considered the right balance is already provided for within the delegation scheme and that there is no real need to change the scheme. As with most delegations schemes across Derbyshire, Members need to be more proactive to make sure they are aware of the applications which have been submitted in their wards and the opportunity for them to call matters to planning committee if they consider it appropriate and necessary. This opportunity in the scheme has generally not been used over the last 3 years however in respect of the item on Thompson Street (CHE/17/00344/FUL) Councillor Innes and Toby Perkins MP both requested it should be considered by planning committee.

## 8.0 Recommendations

That the following changes be made to Part 3 of the Constitution:

8.1 That the delegation scheme be amended to include the following addition to the delegations at P140D:

|  |  |
|--|--|
| <p><b>Where a local MP makes a written or e-mail request for any application to be considered by planning committee.</b></p> |  |
|--|--|

8.2 That the general reference to objectors in the existing scheme be amended as follows:



|   |   |
|---|---|
| Where five or more objections are received to the proposal. | <p>Where up to four objections are received to the proposal or where:</p> <ul style="list-style-type: none"> <li>· <b>the proposal is contrary to a policy (or policies) of the adopted Local Plan or Local Development Framework and is recommended by the Development Management and Conservation Manager to be refused, or:</b></li> <li>· <b>the substance of all objections received does not constitute any material planning consideration.</b></li> </ul> |
|---|---|

8.3 That the delegation reference at P760D concerning EIA Development be changed to the **Development Management & Conservation Manager** and be updated to include the latest regulations as follows: *in connection with any application for planning permission, to carry out any function of the Council as local planning authority under the TCP (Environmental Impact Assessment) Regulations 2017, including:*

- *determining whether any development is Environmental Impact Assessment development;*
- *requiring an Environmental Statement.*

**Decision information**

|   |     |
|---|-----|
| <b>Key decision number</b>              | N/A |
| <b>Wards affected</b>                   | All |
| <b>Links to Council Plan priorities</b> |     |

**Document information**

|                          |                             |
|--------------------------|-----------------------------|
| <b>Report author</b>     | <b>Contact number/email</b> |
| <b>Paul Staniforth –</b> | <b>01246 345781</b>         |

|   |  |
|---|--|
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| <b>Background documents</b><br>These are unpublished works which have been relied on to a material extent when the report was prepared. |  |
|   |  |
| <b>Appendices to the report</b>   |  |
|   |  |