

# **BOROUGH OF CHESTERFIELD**

You are summoned to attend a Meeting of the **Council** of the **Borough of Chesterfield** to be held in the Council Chamber, Town Hall, Rose Hill, Chesterfield S40 1LP at the **Town Hall** on **Wednesday, 15 October 2014** at **5.00 pm** for the purpose of transacting the following business:-

1. Minutes (Pages 1 - 6)

To approve as a correct record the Minutes of the meeting of Council held on 30 July 2014

2. Mayor's Communications

To receive the Mayor's announcements.

3. Apologies for Absence

4. Declarations of Members' and Officers' Interests relating to items on the Agenda.

5. Public Questions to the Council

To receive questions from members of the public in accordance with Standing Order No. 10.

6. Petitions to Council

To receive petitions submitted under Standing Order No. 10A.

7. Change of name of the Independent group (Pages 7 - 8)

8. Budget Monitoring for 2014/2015 and Updated Medium Term Financial Plan (Pages 9 - 24)

9. Business Rates Pooling (Pages 25 - 42)

10. Treasury Management Report for 2013/14 (Pages 43 - 60)

11. Annual Evaluation of Overview and Scrutiny Arrangements (Pages 61 - 94)

12. Community Engagement Strategy (Pages 95 - 110)

13. Local Government Act 1972 - Exclusion of the Public

To move “That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 12A of the Act”.

14. Appointment of Independent Persons for Standards Matters (Pages 111 - 126)

15. Local Government Act 1972 - Exclusion of the Public

To move “That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act”.

16. Innovation Centres' Digital Connectivity and Upgrade Works (Pages 127 - 142)

17. Local Government Act 1972 - Re-admission of the public

To move that after the conclusion of items containing exempt information that the public be readmitted to the meeting.

18. Minutes of Committee Meetings (Pages 143 - 144)

To receive for information the Minutes of the following meetings:-

- (i) Appeals and Regulatory Committee
- (ii) Planning Committee
- (iii) Planning Sub Committee
- (iv) Standards and Audit Committee

19. To receive the Minutes of the meetings of the Cabinet of 29 July and 9 and 23 September, 2014 (Pages 145 - 172)

20. To receive and adopt the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 29 July, 2014 (Pages 173 - 176)


21. To receive and adopt the Minutes of the meeting of the Overview and Performance Scrutiny Forum of 10 September 2014 (Pages 177 - 188)

22. To receive and adopt the Minutes of the meetings of the Enterprise and Wellbeing Scrutiny Committee of 31 July and 10 September 2014 (Pages 189 - 196)

23. Questions under Standing Order No. 20.

To receive questions from Councillors in accordance with Standing Order No. 20.

By order of the Council,

A handwritten signature in black ink, appearing to read "Gwen Jones".

Chief Executive

Chief Executive's Unit,  
Town Hall,  
Chesterfield

8 October 2014

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## COUNCIL MEETING

Wednesday, 30th July, 2014

Present:-

The Mayor

Councillors	Allen	Huckle
	Bagley	Innes
	Bellamy	King
	Bingham	Lang
	Blank	Lowe
	Borrell	Ludlow
	Bradford	Miles
	Brittain	Morgan
	Brown	Avis Murphy
	Burrows	Tom Murphy
	Callan	Niblock
	Clarke	Parsons
	Collard	Mark Rayner
	Elliott	Neil Rayner
	Flood	Russell
	Gibson	Serjeant
	Gilby	Slack
	Higginbottom	David Stone
	Hill	Martin Stone
	Hollingworth	Paul Stone

### 13 MINUTES

#### **RESOLVED –**

That the Minutes of the meetings of the Council held on 23 April, 14 May, and 18 June, 2014 be approved as a correct record and be signed by the Chair.

**14 MAYOR'S COMMUNICATIONS**

The Mayor referred to the following Mayoral engagements:

- Attending the Ex-Services/Armed Forces Hub at the Proact Stadium;
- The 9/12<sup>th</sup> Royal Lancers exercising their Right of Entry into the Borough;
- Representing the Borough at the annual wreath laying ceremony at the Mercian Regimental Pilgrimage to the War Memorial at Crich;
- Attending the Chesterfield Shoe Boxes Appeal.

He also referred to the success of the Staveley Armed Forces weekend and also to the official opening of the Independent Advice Agencies “One Stop Shop” at the Town Hall.

**15 APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Barr, Davenport, Fanshawe, McManus and Simmons.

**16 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

**17 PUBLIC QUESTIONS TO THE COUNCIL**

There were no questions.

**18 PETITIONS TO COUNCIL**

No petitions had been received.

**19 PROJECT ACADEMY FUNDING**

Pursuant to Cabinet Minute No.56, the Business Transformation Manager submitted a report to seek Council approval for funding to enable the Project Academy scheme to continue from 2014 – 2016.

**RESOLVED –**

That the Project Academy fund be ‘topped up’ with £60,000 from the Council’s Service Improvement Reserve to ensure that the Project Academy can continue to operate until March 2016.

**20 LOCAL AUTHORITY MORTGAGE SUPPORT SCHEME (LAMS) INDEMNITY**

The Housing Service Manager – Business Planning and Strategy submitted a report to seek Council approval for an indemnity for the Chief Executive, following agreed amendments to the maximum loan size from £114,000 to £142,500 of the Local Authority Mortgage Support Scheme with Lloyds Banking Group.

**RESOLVED –**

That the request to indemnify the Chief Executive against all liabilities occurred, by him, by providing Lloyds Bank with an opinion and signed Opinion Letter, be approved.

**21 ESTABLISHMENT OF INFORMATION AND BOOKING HUB**

Pursuant to Cabinet Minute No. 68 the Cultural and Visitor Services Manager submitted a report to seek Council approval for the establishment of a hub combining the Theatres Box Office, Visitor Information Service, Arts Development, events, venue hire and promotions for Cultural and Visitor Services located at the Visitor Information Centre, and to identify the Council’s funding for the capital works required.

**RESOLVED –**

- (1) That the inclusion of the development of a combined information and booking hub in the Capital Programme be approved.
- (2) That the allocation of £23,000 from the Council’s Invest to Save Fund for the necessary works to the Visitor Information Centre be approved.

**22 SCRUTINY ANNUAL REPORT 2013/14**

Council considered the Annual Scrutiny Report detailing the work of the Overview and Scrutiny Committees during 2013/2014

**RESOLVED –**

That the Scrutiny Annual Report for 2013/2014 be approved.

**23 SCRUTINY MEMBER - SHEFFIELD CITY REGION COMBINED AUTHORITY**

The Local Government and Regulatory Law Manager submitted a report seeking approval for the nomination of a member of the Overview and Performance Scrutiny Forum to be the Council's representative on the Scrutiny Committee of the Sheffield City Region Combined Authority.

**RESOLVED –**

That the Overview and Performance Scrutiny Forum's nomination of Jean Innes, a member of the Overview and Performance Scrutiny Forum, as the Council's representative on the Scrutiny Committee of the Sheffield City Region Combined Authority be approved.

**24 MINUTES OF COMMITTEE MEETINGS****RESOLVED –**

That the Minutes of the following Committees be noted:-

Appeals and Regulatory Committee of 16 and 30 April, 21 May, 11, 13, 18 and 25 June, 2 and 9 July, 2014

Licensing Committee of 26 June and 9 July, 2014

Planning Committee of 22 April, 12 and 19 May, 2 and 23 June, 2014

Standards and Audit Committee of 27 June, 2014



**25 MINUTES OF CABINET****RESOLVED -**

That the Minutes of the meetings of the Cabinet of 6 and 20 May, 4, 10 and 17 June, 7 and 15 July, 2014 be noted.

**26 MINUTES OF JOINT CABINET AND EMPLOYMENT AND GENERAL COMMITTEE****RESOLVED –**

That the Minutes of the meetings of the Joint Cabinet and Employment and General Committee of 4 and 17 June, 2014 be noted.

**27 MINUTES OF THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM****RESOLVED –**

That the Minutes of the meeting of the Overview and Performance Scrutiny Forum of 19 June, 2014 be approved.

**28 MINUTES OF THE COMMUNITY, CUSTOMER AND ORGANISATIONAL SCRUTINY COMMITTEE****RESOLVED –**

That the Minutes of the meetings of the Community, Customer and Organisational Scrutiny Committee of 10 April and 26 June, 2014 be approved.

**29 MINUTES OF THE ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE****RESOLVED –**

That the Minutes of the meeting of the Enterprise and Wellbeing Scrutiny Committee of 5 June, 2014 be approved.

30 **QUESTIONS UNDER STANDING ORDER NO. 20**

There were no questions.

## AGENDA ITEM

### FOR PUBLICATION

#### CHANGE OF NAME OF THE INDEPENDENT GROUP

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MEETING: COUNCIL  
DATE: 15 OCTOBER 2014  
REPORT BY: MONITORING OFFICER  
WARDS: ALL  
COMMUNITY: ALL  
FORUMS

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FOR PUBLICATION  
BACKGROUND PAPERS FOR PUBLIC: NONE  
REPORTS

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#### **1.0 PURPOSE OF REPORT**

- 1.1 To report a notification received by the Chief Executive that that the Independent group wish to be known as the “UKIP and Independent Group” as from Wednesday 1 October 2014.

#### **2.0 RECOMMENDATION**

- 2.1 That the change of name of the Independent Group to be known as the “UKIP and Independent Group” is noted and that the group is now known by that name.
- 2.2 To recognise that Councillor Paul Stone is no longer an Independent member of Council but is a member of UKIP on the Council.

### **3.0 BACKGROUND**

- 3.1 The Chief Executive was notified on 2 October 2014 of a change to political groups within Chesterfield Borough Council. With effect from 1 October 2014, Councillor David Stone and Councillor Paul Stone advised the Chief Executive that they wished to be recognised as a political group under the name “UKIP and Independent Group”. Councillor David Stone will remain as an Independent member whilst Councillor Paul Stone has now become a member of UKIP.
- 3.2 The Independent Group has been recognised as a political group on Chesterfield Borough Council since 10 May 2012.
- 3.3 The Local Government [Committees and Political Groups] Regulations 1990 states that the name of a political group may be changed by a notice in writing being delivered to the proper officer and signed by a majority of members of the group [Regulation 8 Section 5].

### **4.0 IMPLICATIONS ON COMMITTEE MEMBERSHIPS AND POLITICAL BALANCE**

- 4.1 The change of name of the Independent Group does not have any implications for Committee memberships as it does not change the political balance of the Council or affect the allocation of places to political groups.

### **5.0 RECOMMENDATION**

- 5.1 That the change of name of the Independent Group to be known as the “UKIP and Independent Group” is noted and that the group is now known by that name.
- 5.2 To recognise that Councillor Paul Stone is no longer an Independent member of Council but is a member of UKIP on the Council.

GERARD ROGERS  
MONITORING OFFICER

Further information: Sandra Essex  
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## FOR PUBLICATION

## AGENDA ITEM

### BUDGET MONITORING AND UPDATED MEDIUM TERM FINANCIAL FORECAST – J000

MEETING: COUNCIL  
DATE: 15<sup>TH</sup> OCTOBER 2014  
REPORT BY: HEAD OF FINANCE  
WARD: ALL  
COMMUNITY FORUM: ALL  
KEY DECISION REF: 433

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#### FOR PUBLICATION

#### BACKGROUND PAPERS FOR PUBLIC REPORTS:

TITLE: Working Papers                      LOCATION:                      Accountancy

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#### **1.0 PURPOSE OF REPORT**

- 1.1 To report budget variances in the current financial year and agree the actions for tackling the forecast deficit.
- 1.2 To highlight potential future budget issues, update the medium term financial forecast and consider the deficit reduction strategy.

#### **2.0 RECOMMENDATIONS**

- 2.1 That the budget monitoring report for the four months to the end of July be considered (Section 4).
- 2.2 That the previously approved use of reserves as set out in Section 6 of the report be reviewed.
- 2.3 That the updated medium term forecast, risks and savings targets be considered (Section 7).
- 2.4 That the budget preparation guidelines in para 8.1 be approved.
- 2.5 That the approach to budget consultation be considered (paras. 8.3 and 8.4).
- 2.6 That the proposed short and medium term actions to address the forecast budget deficits are supported (para. 11.4).

### 3.0 BACKGROUND

- 3.1 The Council approved the original budget for 2014/15 on 27<sup>th</sup> February 2014. The Band 'D' Council Tax was frozen at £144.89. After allowing for planned savings of £824k, there was a forecast net budget surplus of £244k.
- 3.2 All of the indications are that the medium term outlook will continue to be challenging. A provisional Government Grant allocation for 2015/16 was released as part of the 2014/15 settlement process but there was no indication about subsequent years. The Medium Term forecast approved by the Full Council on 27<sup>th</sup> February 2014 showed a deficit of £1.2m in 2015/16 rising to £2.0m in 2016/17 before the savings targets are taken into account. The savings assumed in the budget were £1.7m in both 2015/16 and 2016/17, leaving a net surplus in 2015/16 of £0.5m and a deficit in 2016/17 of £0.3m.
- 3.3 The Medium Term Financial Plan (MTFP) is regularly updated to include unavoidable budget variances and will be adjusted to reflect any new priorities agreed through the Corporate Planning process.
- 3.4 The report was considered at the meeting of Cabinet on 9 September 2014 and it was resolved that the recommendations be supported. [Cabinet Minute No. 77]

### 4.0 CURRENT YEARS BUDGET

- 4.1 We started the year with a forecast surplus of £244k after allowing for £824k of savings. The latest forecast, after just four months into the financial year, shows that the originally forecast surplus of **£244k** has now changed to a deficit of **£301k**. A summary of the variances is included in Appendix 1 and a commentary on the most significant items is provided below.
- 4.2 **Income Variances**— income from fees, charges, rents etc. form an important part of the Council's budget. Already a number of significant variances are starting to emerge, including:
- Car Parking income – the latest revised forecast indicates a shortfall of £100k on the original budget of £2.4m. Whilst surface car parks are performing in line with the budget target, income from the multi-storey car parks, particularly Saltergate, is down.
  - Property market related income sources such as Planning, Building Control and Land Charges are performing well. All are

likely to exceed their budget target for the year, with Planning forecast to deliver an additional £78k.

- Rent income from industrial and commercial properties is forecast to be down by £42k due to disposal and re-letting units with rent concessions. There is, however, a one-off income related to the former ABC Cinema of £45k to offset the loss in 2014/15.
- Corrections have been made to the original budget forecasts of income from Licences and the Spire Pride surplus, reducing the amounts by £43k and £46k respectively.

#### 4.3 **Expenditure Variances**

- The Council has recently been notified of an increase in the pension costs of staff transferred under the PPP contract. Pension costs are treated as a 'pass through' cost in the contract which means that the actual cost is passed back to the Council. The increase is approximately £250k and will apply for at least 3 years, until the next fund revaluation. Officers are exploring with the County Council if there is another way of dealing with these costs, for example could they be transferred back into the Council's element of the Fund in order to allow the cost increases to be spread over a longer period.
- A fee was incurred when the original design plans for Queens Park Sports Centre were submitted for planning approval. With the opportunity to extend the scheme using Sport England grant funding, a second set of designs had to be submitted for approval. Capital accounting regulations allow only one set of fees to be capitalised. Therefore one set of fees will have to be written-off as revenue expenditure (£50k).

4.4 **Savings Targets** – the approved budget included a number of savings proposals, totalling just over £1m but with a £0.2m (20%) allowance for non-achievement. Included within the total are a small number of high value items. A review of the savings targets was recently undertaken by the Corporate Management Team and a number of significant variances have emerged, as follows:

- Renegotiation of external contracts (PPP) – the target for 2014/15 was £170k. A number of opportunities continue to be explored with arvato with a view to securing additional economies through the PPP. The scope to transfer further services with the PPP has largely been eroded as a consequence of the significant savings already achieved through the in-house restructuring of the Council's support services

function. Commercial negotiations are, however, advancing with regards to the financial benefits and risks of adjusting Kpi measures and targets from those originally set in 2010 and also with regards to agreeing a model with arvato to share the costs and economies associated with the application of new customer demand management practices. A report covering these commercial negotiations is currently in preparation, which will include a revised savings position as measured against the targets originally set for 2014/15 and future financial years.

- Review of Terms & Conditions – a target of £100k for 2014/15 but again it must be assumed at this point that given the time it takes to implement such changes that little if anything will be achieved in this financial year. The Chief Executive has recently joined the group tasked with delivering this project in order to build momentum with the development of an ‘employer offer’ to Council staff and the trade unions. A first draft of this document should be available mid to late September.
- Voluntary Redundancy/Early Retirement – there is a target saving of £250k in the current year. A moderate number of applications have been received from Council staff. These are currently being considered and final decisions will be made in September. The saving has, therefore, been reduced to £100k in the updated budget forecast.
- With the ‘big ticket’ items above being removed or significantly reduced in the updated forecast, it follows that the provision for non-achievement (£206k) should also be reduced as it is effectively a provision against these high risk items.
- Great Place: Great Service – the original budget included a net budget saving of £13k in 2014/15. The updated forecast indicates an increased net saving of £44k. This is due mainly to:
  - Successful business rate appeals (£125k, two thirds of which relates to back-dating and is, therefore, a one-off gain); plus
  - Depot cost savings (£31k);
  - Less:
  - A net increase in project management costs after a contribution of (£46k) from the HRA; and
  - The removal of non-cash savings included in the original budget (£78k).

4.5 The updated deficit forecast must be reduced in the remaining months of the financial year to avoid or minimise any call on reserves to make up any shortfall. Failure to deliver the required



savings in the current financial year will put even greater pressure on future years when the savings targets are already greater than those for 2014/15. The proposed actions are included in the 'Conclusions' section below.

## **5.0 GENERAL FUND CAPITAL PROGRAMME**

- 5.1 Capital Receipts - To date, capital receipts of £821k have been received. The original forecast for the year was £4.1m but this has been revised up to £4.7m. The revised forecast does, however, assume that receipts from the Newbold School and Ashgate Road sites will be received during the year.
- 5.2 General Fund Capital Spend –the approved budget for 2014/15 is £10m plus slippage from last year of £0.5m. Spend of £1m had been incurred to the end of July. The main variances are:

Disabled Facilities Grants – Against a budget of £733k, only £112k has been spent but the rest of the budget is committed. There is a requirement to spend £530k by the end of this year to prevent claw-back of funding by Central Government. The Council's Home Improvement Service Team continues to work closely with staff at Derbyshire County Council to identify where improvements to procedures can be made to decrease the length of time taken on projects.

Decent Homes - £79k of £184k has been spent but the full budget has been committed.

Housing Renovation Grants - £15k of the £275k budget has been spent. This funding will be used once the Decent Homes Grant funding has been fully utilised.

QPSC – Planning approval for the extended scheme has been achieved, Sport England funding confirmed and the build contract signed. Work will begin on the site on the 10<sup>th</sup> September.

Venues refurbishment – £373k spent to date from a total budget of £706k. The Winding Wheel improvements are complete and work is in progress at the Pomegranate Theatre.

Flood resilience – These schemes are grant funded by the Environment Agency. The scheme at Brampton is currently underspent by £347k but this will be spent during the remainder of

the year. Hollis Lane is underspent by £178k but the project is being redesigned due to a reduced number of properties wanting to be included, this also means that some grant funding has had to be repaid. The budget figure will be amended when the Capital Programme is next updated.

Town Hall GP:GS – currently underspent by £580k but will be spent as the project progresses.

- 5.3 A more comprehensive report on the Capital Programme will be produced after the second quarter. Bids for new schemes to be included in the Programme will be considered as part of the budget setting process later in the year.

## **6.0 RESERVES**

- 6.1 In addition to the General Working Balance, which is maintained at £1.75m, the Council operates a number of other reserves. Many of the reserves are earmarked and committed for specific purposes, such as property repairs and vehicle & plant replacements. There are three major reserves where the Council has wider discretion on how they are used – the Budget Risk Reserve, the Invest to Save Reserve and the Service Improvement Reserve.
- 6.2 **Budget Risk Reserve** – the Council maintains this reserve as a supplement to the Working Balance. It is also used to finance the severance costs arising from voluntary staffing reductions and the outcomes of service restructuring exercises. The opening balance in the reserve at the start of this financial year was £1,000k but this reduces to £730k after allowing for existing commitments. There will be other commitments to include as decisions on the current VR/VER applications are determined.

<b>Table – Budget Risk Reserve</b>		
	<b>Updated Forecast £'000</b>	
<b>Balance b/fwd 1<sup>st</sup> Apr 2014</b>	<b>1,000</b>	
<u>Less Approved Commitments:</u>		
STWA tenants consultation exercise	<b>(30)</b>	
Land Charges claims	<b>(44)</b>	
Learning & Development - training	<b>(32)</b>	
Governance restructure severance costs	<b>(30)</b>	
2013/14 carry forward requests (para 6.6 below)	<b>(36)</b>	
CMT restructure – severance costs	<b>(98)</b>	
<b>Uncommitted Balance</b>	<b>730</b>	

6.3 **Invest to Save Reserve** – The table below shows the opening balance in the reserve as at 1<sup>st</sup> April 2014 and the currently approved or anticipated movements on the reserve:

<b>Table - Invest-to Save Reserve</b>		
	<b>Updated Forecast £'000</b>	
<b>Balance b/fwd 1st Apr 2014</b>	<b>393</b>	
<u>Less Approved Commitments:</u>		
Venues refurbishment	<b>(90)</b>	
Holmebrook Valley Park drainage	<b>(21)</b>	
Community Infrastructure Levy	<b>(5)</b>	
Customer Service Strategy - capital	<b>(105)</b>	
Local Collective Agreement	<b>(10)</b>	
Car park improvements	<b>(111)</b>	
CMT re-structure – external advice	<b>(25)</b>	
Repayments into the fund	<b>-</b>	
Venues – central booking office	<b>(23)</b>	
<b>Uncommitted Balance c/fwd</b>	<b>3</b>	

The reserve is therefore almost fully committed so any future bids will have to be funded from one of the other usable reserves.

- 6.4 **Service Improvement Reserve** – The table below shows the opening balance in the reserve at 1<sup>st</sup> April 2014 and the currently approved or anticipated movements on the reserve:

<b>Table - Service Improvement Reserve</b>		
	<b>Updated Forecast £'000</b>	
<b>Balance b/fwd 1<sup>st</sup> Apr 2014</b>	<b>1,176</b>	
<b>Less Approved Commitments:</b>		
Project Academy (balance)	<b>(6)</b>	
Grit storage facility	<b>(5)</b>	
Venues refurbishment	<b>(20)</b>	
Car parking improvements	<b>(15)</b>	
Project Academy	<b>(60)</b>	
Linacre Master Planning	<b>(67)</b>	
Waterside – legal costs	<b>(40)</b>	
<b>Uncommitted Balance</b>	<b>963</b>	

- 6.5 Given the pressure on the Council's budgets and the need to maintain reserves for investment in future transformation projects the Cabinet should continually review the commitments against the three major reserves above.
- 6.6 **Carry Forward Requests** - included within the commitments above are the carry forward requests from 2013/14.

<b>Table 2 – Carry Forward Requests</b>				
<b>Portfolio</b>	<b>Service</b>	<b>Description</b>	<b>Amount</b>	<b>From</b>
Dep Leader	Commu Infra Levy	Consultants' fees re scheme set-up.	5,100	<b>In-to-Save Reserve (£5k)</b>
Environment	Bereavement	Boythorpe Cemetery Baby Garden Project.	5,000	<b>Budget Risk Reserve (£36k)</b>
	Parks	Path re-surfacing works for which there is no budget in 2014/15.	23,500	
Leisure	QP Sports Centre	Replacement uniforms delayed pending re-branding.	4,000	
	Staveley HLC		3,000	
<b>Total</b>			<b>£40,600</b>	

- 6.7 The General Working Balance was increased from £1.5m to £1.75m at the end of 2012/13 to reflect the financial risks which transferred

to the Council as a result of the localisation of business rates and council tax support. The risks and amounts retained in this and all other reserves are reviewed each year as part of the budget setting process.

## 7.0 MEDIUM TERM OUTLOOK

7.1 A more comprehensive medium term update will be provided in the next budget report at the half year stage. However, it is evident that many of the issues identified as budget variances in the first four months of 2014/15 are likely to continue into future years. The most significant variances include the failure to achieve the PPP budget savings target of £250k and the potential PPP pension cost increase of £250k. In 2015/16 there could also be a share of the Business Rates Account deficit from 2013/14 to clear but this will be subject to what happens during 2014/15. The latest forecast, therefore, indicates a rapidly deteriorating position with significant deficits now emerging in all years. The table below compares the latest forecast with the original budget forecast approved in February:

<b>Forecast (Surplus) / Deficit</b>			
	<b>2014/15 £'000</b>	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>
<b>Latest Forecast</b>	<b>301</b>	<b>471</b>	<b>852</b>
February 2014	(244)	(450)	279
Change	545	921	573

7.2 The revised forecast for future years assumes that the other high value savings targets will be achieved, including £200k from a review of staff terms and conditions and £500k from voluntary redundancies/early retirements, which at this point in time must still carry a fair degree of risk.

7.3 Local Council Tax Support Scheme for 2015/16 - Officers are not recommending any changes to the scheme at this stage but a fuller report will be prepared for the Cabinet to consider in October. This will enable consultation to take place with the other major precepting authorities before the scheme is formally approved by the full Council in December.

## **8.0 2015/16 BUDGET PREPARATION PROCESS**

8.1 The budget preparation process starts in September when budget working papers and guidelines are issued to budget holders. The budgets will be prepared on an 'incremental' basis i.e. taking last year's budget as the base and making adjustments for the following:

- Variances that have been reported to and approved by the Cabinet.
- Pay inflation – an allowance of 1% in future years.
- Energy and property maintenance inflation as advised by the Facilities Maintenance Manager.
- Contract inflation as specified within contracts – assuming RPI of 3.0% and CPI of 2.0% in future years.
- Business rates are based on the RPI in the previous September – a rate of 3% for 2015/16 and subsequent years is assumed.
- No inflation on other general items of expenditure including grants to voluntary organisations.
- Fees and charges increases – an increase of 3% per annum for the period of the MTFP but only where it is considered that the market will bear such an increase.

These budget assumptions will be revised on a continual basis as we move through the budget process and as more up-to-date information becomes available. Cabinet is asked to note the budget setting guidelines.

8.2 In terms of the Member reporting process:

- a) Quarter 2 budget monitoring and updated medium term forecast report for Cabinet (November) and full Council (December).
- b) Approval of the Localised Council Tax Support Scheme for 2015/16 to the full Council in December.
- c) Monthly Political Cabinet/Corporate Management Team budget priority setting workshops arranged from September through February;
- d) Executive Member portfolio budget reports will be produced for consideration in early December.
- e) The Cabinet will consider the first draft budget in mid-December and the final budget report in February.
- f) The full Council will approve the final budget and council tax at the end of February 2015.

Updates will also be provided to the Overview and Performance Scrutiny Forum at key stages in the process.

- 8.3 Consultation with the public – over recent years this has taken the form of two meetings with representatives from the Community Forums/Assemblies. The first meeting has been in December where the background information has been supplied and the attendees given a number of issues/options to consider for more in depth discussion at the second meeting in January.
- 8.4 In light of the poor attendance at these meetings, especially in December 2013 and January 2014, an alternative approach is actively under consideration where future public consultation on the budget setting process would take place at the November meeting round of the Council's 4 Community Assemblies.

## **9.0 RISK MANAGEMENT**

- 9.1 Budget forecasting, particularly over the medium term, and in the current economic climate is not an exact science. Assumptions have to be made about possible changes where the final outcome could be very different e.g. government grants, pay awards, investment returns, etc. A full budget risk assessment will be included in the budget setting reports later in the process.

## **10.0 LEGAL CONSIDERATIONS**

- 10.1 There is a legal requirement for the Council to set a balanced budget before the start of each financial year and for the Chief Finance Officer to report on the robustness of the estimates and the adequacy of the reserves. Clearly, there is lot of work to be done over the coming months to reduce the budget deficit forecast in the current financial year and to be in a position to set a balanced budget for 2015/16 in February 2015.

## **11.0 CONCLUSIONS**

- 11.1 It is not unusual for a pessimistic budget forecast to be produced at this early stage in the financial year only for a surplus to be achieved by the end of the year. Nevertheless, these early warning signs must be taken seriously and appropriate action taken. We know from past experience that the Council has a good track record

of tackling such issues but inevitably this becomes progressively more difficult each time.

- 11.2 Budget monitoring for the first four months of the current financial year has highlighted a number of cost pressures, particularly the car parking income shortfall and the PPP pension cost issue. The other major concern is the rate of progress on implementing the budget savings targets assumed within the original budget, particularly the high value items. Whilst a budget deficit of £300k in the current financial year could be funded from reserves the problem is that this would only provide a short term solution; the priority must be to reduce the underlying deficit.
- 11.3 The era of cuts in public spending is likely to continue for some time to come. In order to achieve a sustainable and affordable budget over the longer term the Council will have to continue to develop and implement some significant budget reductions. Some fundamental changes will be required to the range and quality of the services provided.
- 11.4 Members can be assured that officers are already responding to the issues raised in this report. The actions currently being taken to address the deficit forecasts include:
- Giving priority to achieving the current budget savings targets, including the GP:GS programme;
  - Strict vacancy control;
  - Controls on non-essential expenditure and tight budget control;
  - A stronger focus on income generation;
  - Continuing to place a strong emphasis on the growth of Chesterfield's economy to support delivery of new income through the new homes bonus and business rate retention schemes;
  - Developing new savings proposals to supplement or replace the current list;
  - Continuing the Budget Worksop sessions with the Political Cabinet and Corporate Management Team to further develop and monitor the actions above.
- 11.5 Delivering the required budget savings has to be the number one corporate priority. We cannot rely on under spends at the year-end to rescue the position and must do all we can to avoid having to use reserves to support the budget.



## **12.0 RECOMMENDATIONS**

- 12.1 That the budget monitoring report for the four months to the end of July be considered (Section 4).
- 12.2 That the previously approved use of reserves as set out in Section 6 of the report be reviewed.
- 12.3 That the updated medium term forecasts be considered (Section 7).
- 12.4 That the budget preparation guidelines in para 8.1 be approved.
- 12.5 That the approach to budget consultation be considered (paras. 8.3 and 8.4).
- 12.6 That the proposed short and medium term actions to address the forecast budget deficits are supported (para. 11.4).

## **13.0 REASON FOR RECOMMENDATIONS**

- 13.1 To monitor the Council's finances.

**BARRY DAWSON,  
HEAD OF FINANCE**

Officer recommendation supported/not supported/modified as below or Lead Member's recommendation/comments if no officer recommendation.

Signed

Lead Member

Date

Consultee Lead Member/Support Member comments  
(if applicable)/declaration of interests

You can get more information about this report from Barry Dawson Ext 5451.

<b>SUMMARY OF BUDGET VARIANCES</b>		
<b>as at the end of July 2014</b>		
	<b>2014/15</b>	<b>2015/16</b>
	<b>£'000</b>	<b>£'000</b>
<u>Income from fees &amp; charges etc:</u>		
Car parking income shortfall	100	
One-off receipt ABC Cinema	(45)	
Industrial & Commercial rent income	42	39
Licence fee income – correction to base	43	43
Reduced Spire Pride surplus	46	31
Planning fees	(78)	
HIA grant stopped from 1/4/14	19	20
Reduced Housing Benefit Admin grant		23
Cemeteries income shortfall	15	15
QPSC/HLC income	(55)	(55)
<u>Expenditure:</u>		
PPP pension costs	250	250
CMT restructure	(93)	(119)
Leisure Legacy	50	
DCC contribution to Amenity Maintenance	(17)	
Communications/marketing savings not achieved	21	21
Energy costs – recurring overspend (net)	8	8
Contribution to QPSC running costs		120
Provision for Bus Rate deficit from 13/14		204
<u>Adjustments to savings targets:</u>		
Review of staff terms & conditions	100	
VR/VER Savings	150	
Renegotiation of PPP contract	170	200
GP:GS savings	(31)	55
Removal of provision for non-achievement	(206)	
Other (net)	56	66
<b>Total Variance</b>	<b>545</b>	<b>921</b>

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## FOR PUBLICATION

## AGENDA ITEM

### BUSINESS RATES POOLING

MEETING: COUNCIL  
DATE: 15<sup>TH</sup> OCTOBER 2014  
REPORT BY: CHIEF FINANCE OFFICER  
WARD: ALL  
COMMUNITY FORUM: ALL  
KEY DECISION REF: 465

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### FOR PUBLICATION

#### BACKGROUND PAPERS FOR PUBLIC REPORTS:

TITLE: Working Papers                      LOCATION:                      Accountancy

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### **1.0 PURPOSE OF REPORT**

1.1 This report seeks approval in principle to the Council joining a Derbyshire based Business Rates Pool in 2015/16.

### **2.0 RECOMMENDATIONS**

2.1 That the Council approves in principle the authority joining a Business Rates Pool for Derbyshire in 2015/16.

### **3.0 BACKGROUND**

3.1 The Government has recently issued the Business Rates Pooling Prospectus 2015/16. The web-link to this paper is:

<https://www.gov.uk/government/publications/business-rates-retention-scheme-pooling>.

This report considers the implications of that paper and advises on a way forward.

3.2 The report was considered at the meeting of Cabinet on 7 October 2014 and it was resolved that the recommendation be supported.  
[Cabinet Minute No. 96]

3.3 The report also recommended to Cabinet that authority be delegated to the Chief Finance Officer, in consultation with the Leader, Deputy Leader and Chief Executive, to approve the final details of the scheme. This recommendation was approved. [Cabinet Minute No. 96]

#### **4.0 BUSINESS RATES POOLING PROSPECTUS 2015/16**

4.1 Under the rates retention scheme, which came into effect on 1 April 2013, local authorities are able to keep a proportion of the business rates that they collect. As a result, authorities now have a direct financial interest in the rates system and an incentive to work with their business community to grow local economies.

4.2 As part of the rates retention scheme, authorities are able to come together, on a voluntary basis, to pool their business rates, giving them scope to generate additional growth through collaborative effort and to smooth the impact of volatility in rates income across a wider economic area. This not only allows them to pool their resources under the scheme (which they could do anyway), but ensures that they are treated as if they were a single entity for the purposes of calculating tariffs, top-ups, levies and safety net payments.

4.3 The Prospectus suggests that there are a wide range of benefits of pooling:

- In many cases, authorities that pool can be better off collectively. This is because the levy rate for a pool as a whole can be lower than that for individual pool members if they remain outside the pool. This is the case in each of the 18 pools in effect for 2014-15, benefitting 111 authorities that chose to pool.
- Pooling the rates income from growth across a wider and economically coherent area ensures that all authorities can benefit from economic growth across the wider area. This can mean that the strategic decisions that are needed about infrastructure investment are easier to make.
- By pooling their rates retention resources, pool authorities can help manage the inherent risk caused by natural volatility in rates income. Variations in annual rates income are normal, reflecting the nature of the rating system and, particularly, the risk of rating appeals. By pooling their rates retention resources, authorities can collectively manage these variations by balancing gains and losses across the pooled area.

- The act of setting up pools can help further the process of joint working and could result in wider benefits that go well beyond pooling e.g. collaboration over service delivery resulting in improved value for money.
- 4.4 Each authority must decide whether pooling is appropriate for them. The consequences of forming a pool will be different in each case, depending on the membership of the pool, their individual circumstances (i.e. the balance of top-ups and tariffs) and the rate of growth in business rates income over the life of the pool. Local authorities will therefore need to undertake their own due diligence, modelling the individual position alongside the pool position. Pooling could show a potential benefit – because the pool levy rate may be lower than the levy rates that would have been paid by members individually, thereby increasing the amount of rates income kept locally. Local authorities will also want to consider the impact of fluctuations in business rates income. There is a risk that some local authorities may find that a reduction in their local business rates income, which would otherwise have qualified for a safety net payment, will no longer do so because overall the pool is above its safety net threshold. In these circumstances local authorities in the pool will need to decide whether and how they support members seeing significant reductions in their business rates income.
- 4.5 For 2015/16 any proposals for new pools must be made to DCLG by 31st October 2014. DCLG will work with interested local authorities to support the development of the pool. Final proposals will need to be signed off by the s.151 officers of each authority in the pool.
- 4.6 DCLG will consider all applications for designation received by 31 October 2014. For a pool to come into effect, from the start of the next financial year, the Secretary of State is expected to notify authorities before the publication of the draft Local Government Finance Report for that year. This is expected to be published as usual in the autumn.
- 4.7 While local authorities in a pool will be treated as a single body, for the purposes of calculating tariffs, top-ups or levy and safety net payments, authorities in a pool will be notified of their position in the draft Local Government Finance Report. This will enable local authorities to confirm if pooling is still of benefit to them. Local authorities can withdraw from a designated pool before the pool comes into effect, if after seeing the draft Local Government Finance Report, they no longer believe that pooling provides the

opportunities they had previously thought. To exercise this option a local authority must write to the Department within 28 days of the publication of the draft Report and before the final Report is laid before the House of Commons. The Secretary of State will then revoke the designation. Once a designation has been made it cannot be amended so if a local authority chooses to exercise this option it will mean that the pool cannot continue. In those circumstances the local authorities who had been designated as members of that pool would revert to individual positions. Pools will continue from year to year until a designation is revoked.

## **5.0 THE PROPOSED POOL FOR DERBYSHIRE**

5.1 The Derbyshire authorities councils (districts, county, fire and city) have jointly engaged a consultant to give advice on pooling. The Derbyshire Finance Officers met with the consultant on 30th September, when a number of scenarios were considered. A summary of the finance model proposed is included in **Appendix A**.

5.2 The main questions considered at the Finance Officers' meeting and the conclusions reached included:

### **5.2.1 Which authorities will form the pool?**

For the pool to be financially viable it needs:

- (i) at least one 'top-up' authority (i.e. an upper tier authority); and
- (ii) billing authorities in a 'tariff' position, with income above their baseline targets and, therefore, currently subject to a 'levy' on their gain.

The County Council and all of the districts currently meet these criteria and, therefore, bring some benefit to the pool. The City Council and the Fire Authority, however, do not add any financial value to the pool but the Finance Officers Group felt that they should be allowed to join in the spirit of joint working in the county. Also, given its size and experience of the Business Rates system, it was felt that Derby City was the best option for administering the pool, with the County Council as a second option. The current proposal (**Appendix A**) shows £91k of the net gain going to the Fire Authority and £150k to the City Council (which includes a £50k administration fee).

### **5.2.2 What are the potential benefits and risk for authorities joining the pool?**



The benefits are as described in para 4.3 above. The potential financial gains are shown in **Appendix A**, with Chesterfield Borough Council receiving **£262k** more than it would do if it stood alone. Final details about how much of this saving should be set-aside into a reserve for Economic Regeneration projects or as a contingency for future losses has yet to be determined. In terms of risks, the consultant's view is that the proposal is the strongest he has come across to date. For the full amount of the £2.9m saving to be removed it would require a number of significant rating assessment reductions to occur, and the risk of this happening is extremely low. The modelling undertaken shows that only in these extreme circumstances will any authority be worse off than it would be as a standalone authority outside of the pool. Similarly, an authority with strong business rates growth will not lose more of this gain than it would under the Levy arrangement if it stood alone. The advantage of pooling comes from reducing the Levy paid to the Government rather than re-distributing authorities' shares. All of the district councils in Derbyshire have a Levy rate of 50%, for the proposed Derbyshire Pool the rate will reduce to **zero**. If pooling is successful the Council will keep a larger share of any further growth and would also benefit from growth elsewhere in the county. The Pool is for 2015/16 only and there will be an opportunity to change the arrangements for the following financial year if necessary.

**5.2.3 Who will be the lead authority and administer the pool?**

Derby City has been identified as the best option given its experience of the Business Rates system and of managing large cash flows. If the City Council decides not to join the Pool the County Council has agreed that it will take on this role.

**5.2.4 What are the governance arrangements?**

A draft submission document, which is based on those of existing approved pools, is included at **Appendix B**.

**5.2.5 How will the pool income be distributed and balances managed?**

The draft submission document (**Appendix B**) describes how gains and losses could be shared. As mentioned above, this could change once decisions are made on whether to set some of the gain aside into an Economic Regeneration Reserve or a Contingency Reserve. If the Pool does not retain a Contingency Reserve it will be for each authority to determine if to create its own.

**5.2.6 What are the arrangements for meeting any liabilities?**

Section 11 of the draft agreement (**Appendix B**). Business Rate income losses would have to be (a) substantial and (b) heavily concentrated in one or two districts for losses to become an issue.

- 5.3 At the time of writing this report a number of the other potential members of the Pool have yet to secure formal approval from their Councils. Also, further work may need to be undertaken to verify the figures in the model. The answers to some of the questions considered above are, therefore, still subject to possible changes. The DCLG, however, requires proposals for new pools to be submitted by 31st October and is unlikely to allow any extensions to this date. Therefore, the Council can only make a decision “in principle” to join the Pool at this stage with approval of the final details of the scheme being delegated to the Chief Finance Officer, in consultation with the Leader, Deputy Leader and Chief Executive, to approve the final details of the scheme.

## **6.0 RISK MANAGEMENT**

- 6.1 **Legal** - The requirement to achieve a balanced budget will impact on methods and levels of service provision of both discretionary and statutory services. The Council will need to make a series of important decisions that balance the principles of delivering effective services whilst significantly reducing its costs. In doing so it must satisfy itself that it has done all it can to achieve a balanced budget that is sufficient to enable the Council to comply with its statutory and common law duties. The recommended approach is considered to be within the legal parameters and the legal risk is assessed as low.
- 6.2 **Financial** - The Council has a statutory duty to set a balanced budget any gain from pooling will help to achieve this. The pooling arrangement proposed in this report is considered to be low risk. If following the announcement of the Provisional Local Government Finance Settlement in December the financial case changes there will be an opportunity to withdraw from the Pool; this, however, should be seen as an option of last resort because it would risk collapsing the Pool completely. Once the Pool is formally established the commitment is for one year only, after which time it can be reconfigured with some authorities withdrawing if necessary.

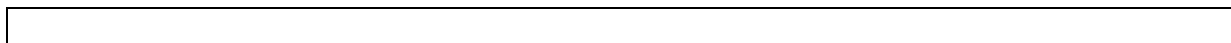
## **7.0 RECOMMENDATIONS**

- 7.1 That the Council approves in principle the authority joining a Business Rates Pool for Derbyshire in 2015/16.
- 7.2 That authority be delegated to the Chief Finance Officer, in consultation with the Leader, Deputy Leader and Chief Executive, to approve the final details of the scheme.

**8.0 REASON FOR RECOMMENDATIONS**

- 8.1 To take advantage of a low risk opportunity to increase the Council's share of Business Rate income in 2015/16.

**BARRY DAWSON,  
CHIEF FINANCE OFFICER**



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### Pooling Scenarios in Derbyshire: Distributing Gains: 2014/15

	Retained (1)	Tariff	Levy	Stand Alone Net (1)	Pool gain £m	Benefit %
Amber Valley	12.540	-8.882	-0.394	3.264	0.256	7.9%
Bolsover	8.794	-5.473	-0.357	2.964	0.233	7.8%
Chesterfield	14.634	-10.842	-0.394	3.398	0.262	7.7%
Derbyshire Dales	7.320	-5.358	-0.235	1.727	0.143	8.3%
Erewash	10.157	-6.447	-0.375	3.336	0.254	7.6%
High Peak	9.822	-7.054	-0.330	2.439	0.201	8.2%
North East Derbyshire	6.760	-2.926	-0.669	3.165	0.326	10.3%
South Derbyshire	8.576	-6.084	-0.122	2.370	0.142	6.0%
Sub-total: Districts					1.818	
Derbyshire CC					0.818	
Derby City					0.150	
Fire Authority					0.091	
<b>Total Gain</b>					<b>2.877</b>	

(1) Includes SBRR

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## Proposal for a Business Rates Pool in Derbyshire from April 2015

### Membership

...  
...  
...

None of the councils listed is either part of an existing pool or proposed pool.

### Benefits of the pool

The make up of the proposed pool was agreed following consideration of a number of options. All eight shire districts in Derbyshire were invited to express an interest in joining the pool along with the county council, Derby City and Derbyshire Fire & Rescue.

*[Add reasons for membership, contiguous or not etc.].*

Members of the proposed pool believe that the arrangements will be an important enabler to drive forward economic growth and create a positive framework for investment across the county by improving business rates incentives and minimising the prospect of wasteful competition between authorities. It is the express intention of the pool members to improve the well being and prosperity of the communities we serve.

A pool also provides the intended benefits of sharing the benefit from economic development across a wider area and benefit the individual members but also spreading the risk of any volatility in business rates income.

### Lead Authority

The lead authority will be Derby City Council.

### Governance Agreement

#### 1. Pool Membership

[xxx]

#### 2. Introduction

This pooling proposal has been agreed by all pool members and signed by their Chief Executives and Section 151 Officers.

The proposal sets out various key principles and addresses the key governance areas to ensure that a robust framework is in place for the effective management of the pool. Governance arrangements will stay in place until the pool is fully dissolved.

Each time a new member joins or an existing member leaves the pool the governance arrangements will need to be reviewed, renewed and agreed with the Department for Communities and Local Government (DCLG and its successors).

### 3. Key principles of the pool

- The aim will be to ensure that no participant receives less funding than if they had not pooled
- Any dividend remaining or any shortfall will be calculated in accordance with the detailed clauses below
- Outside of this agreement, individual authorities will retain their decision making powers

### 4. Definition of Pooled Funds

Pooled funds will include monies involved in the Local Government Business Rates Retention Scheme. Subject to the requirements of the 2012 Local Government Finance Act and its related regulations which must take precedence, authorities involved will pay into the pool all the business rates collected by each authority EXCEPT the rates yield or growth from any local Enterprise Zone or from renewable energy schemes or similar exemptions, as set out in current or future legislation, where an individual authority is allowed to benefit directly without deductions for levies or others' shares.

### 5. Governance Structure

The key element in the governance structure will be the lead finance officers of the authorities that are in the pool. They will form a governance board and will be responsible for guiding and managing the operational day-to-day running of the pool. The officers will seek to find unanimous agreement on all issues involving the pool.

If unanimity cannot be reached after a number of options have been considered, the circumstances and difficulties arising will be reported to and guidance sought from the Chief Executives of the councils that are in the pool. If unanimity cannot be reached by the Chief Executives then a decision will be sought from the leaders of authorities that are in the pool.

An annual review of the pool arrangements will take place to determine whether the pool should be dissolved. For example one or more members may wish to



withdraw and the remaining members may wish to resubmit an amended pooling proposal.

#### 6. Duration of the pooling agreement

Pooling is voluntary and members will be able to leave the pool in accordance with this agreement and the DCLG timescales that will be published from time to time.

#### 7. Lead Authority

The Lead Authority for accounting purposes will be Derby City Council.

Responsibilities for the Lead Authority and individual pool members are outlined in Appendix 1.

#### 8. Pool Administration Costs

Pool set-up and administration costs will be included within the share of any pooling benefit assigned to Derby City Council.

#### 9. Pool 'Dividend'

The pool dividend is defined as the amount remaining in the pool after:

- Any tariff payment to Government
- Any levy payment to Government
- Any safety net payment from Government
- Payment to each participant of the amount they would have received should the pool not have existed
- Any interest payments to or from the pool
- Any agreed contribution to or from reserves

#### 10. Allocating any Pool Dividend

Any pool dividend will be distributed on the following basis:

- £150,000 to Derby City Council

And from any remainder:

- 30% to the county council

- one-thirtieth to the Derbyshire Fire & Rescue Authority
- one-third to districts in proportion to their growth above the DCLG target. There will be no deduction for any district below its rates target
- one-third to districts in proportion to their funding targets

The pool will not retain a reserve. Instead, participants will maintain their own provision against future pool shortfalls.

### 11. Pool Shortfall

If there is a shortfall on the pool – i.e. there is insufficient funding to allow each authority to receive what it would have received outside the pool - it shall be met as follows:

- 30% from the county council
- one-thirtieth from the fire authority
- one-third from any district that failed to achieve its rates collection target. This shall be in proportion to the cash amounts that it/they is/are below the target
- one-third from all districts in proportion to their funding targets
- If this is insufficient then a further deduction will be made in proportion to each district's funding in excess of its safety net amount outside the pool
- No district shall receive less than its safety net level outside the pool from these three preceding steps
- If this is still insufficient then a further deduction shall be made pro rata to every authority's funding target. This is the only step at which an authority may receive less than its safety net level outside the pool

If a shortfall seems likely to continue, consideration will be given to the future of the pool, including dissolution.

### 12. Dissolution

The pooling arrangement will remain in place until any single authority or authorities say that they wish to leave the pool. Pool members should consider the impact on the remaining members when making this decision.

Pool membership will be reviewed on an annual basis to determine whether a significant change in business rates is expected and consequently whether the pool is still financially viable.

Authorities will be required to notify pool members of their decision to leave the pool in accordance with the notice period outlined below.

DCLG will be notified of any decision to dissolve the pool in accordance with their published process and timetable.

Any subsequent decision to re-form a pool, for example, if one member wishes to leave and the other authorities wish to continue in a new pool, will be made in a timely manner to ensure that a formal pooling proposal is submitted to the DCLG in line with their process and timetable.

### 13. Notice Period to Dissolve the Pool

Authorities will be required to advise the pool of their intention to leave and consequently dissolve the pool giving a minimum of one month's notice in advance of the DCLG deadline. This will allow remaining pool members to consider whether they wish to submit a new pooling application.

### 14. Requests to join the pool

If a new authority wishes to join the pool it will be required to provide three months' notice prior to the DCLG deadline. This will allow time for existing pool members to consider their continuing membership of the pool.

### 15. Distribution of Pool Assets / Liabilities on Dissolution

Pool members will be jointly and severally liable for the assets and liabilities of the pool. However this should not override any of the detail included in this agreement.

### 16. Payment schedules and cash flow

Payment schedules will need to be agreed and payments made on time so that the pool can meet the payments required by central government and to share business rates collected. Payments into the pool will include various payments and these will all need payment schedules as announced by DCLG or as agreed locally.

Payments to the lead authority will be made by direct debit on the day preceding the payment date to central government. All funds will be retained in the lead authority's own bank overnight.

The pool shall charge interest at a rate of four percentage points above the prevailing Bank of England base rate on all payments from participants that are received after the scheduled day.

Safety net payments are to be made in-year to provide some immediate protection to the authority involved. The pool will attempt to replicate the timing and amount of any safety net payment that would have been due to its members if there was no pool.

Levies are not finalised until after the year has ended. Thus any pool dividend or shortfall cannot be finalised until after the year has ended. Forecasts of various elements such as the likely levy payments and dividends will be needed so that authorities can make their decisions about whether to remain in the pool.

Costs (or benefits) may arise from the cash flow into and out of the pooling fund will be offset against (or added to) the pool dividend.

## **Appendix 1**

### **Roles and Responsibilities**

The Lead Authority will be responsible for the following:

- An estimate for consideration of the budget for setting up and administering the pool
- All finances in relation to the pool including payments to and from central government, the other members of the pool and preceptors
- Calculating the funding position if all councils had not been part of the pooling arrangement and any dividend or shortfall
- Agreeing the various schedules of payment with other pool members
- All communications with the DCLG including year-end reconciliations
- All information and external reporting requirements for the pool, details of which will be shared with all members of the pool
- The collation and submission of information required for planning and monitoring purposes by the governance structure, the DCLG or any other party
- All audit requirements in relation to the pool
- Year-end positions for the Statements of Accounts for each member authority
- The administration of the dissolution of the pool

Pool members (including the lead authority as appropriate) will be responsible for:

- The collection of relevant business rates to transfer to the pool run by the Lead Authority
- The implementation of their own collection funds
- The submission of NNDR forms to DCLG
- The provision of any information...

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## FOR PUBLICATION

### TREASURY MANAGEMENT ANNUAL REPORT 2013/14 AND MONITORING REPORT 2014/15 (J070R)

MEETING: COUNCIL

DATE: 15<sup>TH</sup> OCTOBER 2014

REPORT BY: HEAD OF FINANCE

WARD: ALL  
FORUM ALL  
KEY DECISION REF: 402

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#### FOR PUBLICATION

#### BACKGROUND PAPERS

Local Government Act 2003, CIPFA Prudential Code & Guidance, Accountancy Services' final accounts working papers.

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#### **1. PURPOSE OF REPORT**

- 1.1 To consider the Annual Treasury Management Report for 2013/14.
- 1.2 To consider the Treasury Management activities for the first five months of 2014/15.

#### **2. RECOMMENDATIONS**

- 2.1 That the **Council** is recommended to:
  - (i) Note the outturn Prudential Indicators for 2013/14;
  - (ii) Note the treasury management stewardship report for 2013/14;

- (iii) Note the treasury management position for the first five months of 2014/15;
- (iv) Approve the proposed changes to the investment arrangements and limits (Section 6);
- (v) Note the new contract for provision of banking services.

### **3. BACKGROUND**

- 3.1 The Council's Treasury Management Strategy requires the full Council to receive three treasury reports each financial year; the Strategy report before the start of each financial year, an annual report for the previous financial year and a mid-year review for the current year.
- 3.2 The Annual Report for 2013/14 is attached at Annexe 1. The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.
- 3.3 Following the Icelandic banks collapse in 2008 the regulatory framework places a much greater emphasis on the review and scrutiny by Members of treasury management activities. The attached report provides details of the treasury management activities in 2013/14 and confirms compliance with the Council's approved policies. The report will also be scrutinised by the Standards and Audit Committee prior to consideration by the full Council.
- 3.4 The report was considered at the meeting of Cabinet on 23 September 2014 [Cabinet Minute No.88] and it was resolved that the recommendations be supported and that the report be scrutinised by the Standards and Audit Committee.
- 3.5 The report was considered at the meeting of the Standards and Audit Committee on 26 September [Standards and Audit Committee Minute No.12] and it was resolved that the recommendations be supported and be put to Council for approval.



## 4. SUMMARY OF THE ANNUAL REPORT

4.1 During 2013/14, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2012/13 Actual £'000	2013/14 Revised £'000	<b>2013/14 Actual £'000</b>
Actual capital expenditure	19,950	21,996	<b>19,197</b>
Capital Financing Requirement:			
- General Fund	8,357	10,037	<b>10,660</b>
- HRA	142,680	140,540	<b>140,540</b>
- Total	151,037	150,577	<b>151,200</b>
External debt	146,742	144,785	<b>144,967</b>
Investments – under 1 year	24,219	23,701	<b>19,962</b>
1 year and above	-	-	<b>3,160</b>
Net borrowing	122,523	121,084	<b>121,845</b>

4.2 Other prudential and treasury indicators are to be found in Annexe 1. The Head of Finance also confirms that borrowing over the medium term is only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit), was not breached in 2013/14.

4.3 The financial year 2013/14 continued the challenging environment of low investment return. There was a large differential between borrowing and investments rates during the year.

4.4 In the performance monitoring report for the quarter ended 31<sup>st</sup> March 2014 Capita commented on Investec's performance as follows:

“Overall performance for the financial year was weak compared to the benchmark and the rest of the industry, due primarily to the Manager's ill-timed transactions in the gilt market in mid 2013. Although accounting for 15% of the

overall portfolio, the impact of adverse price movements on overall performance has been material. The coming year is expected to see yields rise moderately, which is likely to keep future money market transactions short dated. Therefore it will be the relative quarterly performance of the gilt holding that will have a key bearing on overall performance.”

4.5 No new long term borrowing was undertaken in 2013/14.

4.6 Repayments of £2m were made during the year.

## **5. 2014/15 MID YEAR REVIEW**

### **5.1 Annual Investment Strategy**

In accordance with the Cipfa Code and the Council’s Investment Strategy, the investment priority is to ensure security and liquidity of capital, and to obtain an appropriate level of return which is consistent with the Council’s risk appetite. In the current economic climate with the Bank Rate at just 0.5% investment returns are at a historically low level. The continuing uncertainty of any economic recovery and the geo-political uncertainties, prompts a low risk and short term strategy. Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the five months ended 31.08.2014.

### **5.2 Internally Managed Cash Balance**

In the first quarter of the year the interest rates achieved were in line with those assumed when setting the budget at 0.69%. The net average internal investment balance has been higher than the assumptions in the original budget and the net internal investment returns are forecast to be £9,000 above the original budget target for the year.

### **5.3 Performance of External Fund Manager**

During the first quarter of the year, Investec did not take advantage of rising prices to trade in the gilt market, taking the view that trading in a volatile market, especially one which is heavily influenced by unpredictable geopolitical

factors, can leave the Fund vulnerable to mistiming and the potential for negative returns.

The Fund's strategy of keeping a significant proportion of the portfolio invested in short dated CDs remains unchanged. The benefits of this approach are security, in that issuers of CDs have strong credit ratings, and liquidity, through the use of three month maturity dates.

The manager's passive approach to money market instruments will provide a stable, but unspectacular performance, with any material deviation coming from fixed income holdings.

Performance was on a par with the industry average. Considering the market conditions, it is unsurprising that the Fund has stuck to its strategy of mostly dealing in short dated products. CDs are likely to prove a reliable but modest source of income over the next quarter given their high security and fixed interest rate terms.

It is likely that performance of the gilt in the portfolio will determine the future success or otherwise of the Fund's performance.

The gross return achieved to the end of August was 0.37%, compared to the pro-rata budget target for the period of 0.28%. The target for the full year is 0.67%.

- 5.4 No new long term borrowing has been undertaken in the year to date.
- 5.5 Repayments of principal of £427k have been made during the year.
- 5.6 No debt rescheduling was undertaken to date.
- 5.7 Compliance with Treasury & Prudential Limits

In the first part of the financial year the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices.

The main Prudential Indicators relating to borrowing are:

- Authorised Borrowing Limit – the limit for the year was set at £155.5m, the limit has not been breached.
- Operational Boundary – this was set at £144.8m for the year, again the limit has not been breached.

## **6. INVESTMENT FUND OPTIONS**

- 6.1 Officers have consulted with our Treasury Advisors, Capita, about the investment options available to the Council. Capita have undertaken a similar exercise with a number of their local authority clients. In the current market conditions, with very low investment returns, many external fund managers including Investec are finding it difficult to add value. The external managers, however, do provide a degree of security given their professional expertise and their access to highly rated financial instruments and institutions.

Nevertheless, it is felt that the Council should be able to secure equivalent or higher returns whilst maintaining a satisfactory level of security, by managing more funds in-house. This will require additional staffing resources and increased flexibility for the in-house operation.

The staffing issue is currently being addressed as part of a restructuring of the Accountancy Team, which should be formally reported and approved during the next few weeks.

The in-house team will also require increased flexibility in terms of amounts that they can invest and the range of financial instruments they can use. In anticipation of this change, authority is sought within this report to:

- a) Increase the counterparty limits for the UK part nationalised banks as follows:
- Individual counterparty limit to £7.5m (previously £5m)
  - Banking Group Limit to £10m (previously £7.5m)

Counterparty selection will continue to be based on the Council's Treasury Adviser's model and taking other market intelligence in to account.

- b) Permit the in-house team to use all of the Specified and Non-Specified Investments currently shown in the Treasury Management Strategy Statement as being available only to the External Fund Manager. This will involve the use of specialist brokers and Custodian facilities for certain instruments.

Given the need to first establish an in-house team it is proposed that the transfer of funds from the External Fund Manager to the in-house team will take place on a phased basis as individual investments in the external fund reach maturity. Keeping a relationship open with the external fund manager will also allow some flexibility to increase their involvement if market conditions change sufficiently for them to be able to undertake some tactical trading and add value to the potential investment returns.

- 6.2 A further investment option currently being explored is the use of Property Funds. Property Fund investments should be seen as a medium to long term investment (i.e. greater than 5 years) to take advantage of the capital growth potential and to avoid the liquidity risk i.e need to avoid having to call the money back during a property slump. The potential returns, however, over the longer term can be attractive. Capita will undertake a review of the various funds available. A report will then be prepared recommending a fund or range of funds to be included in the list of Approved Non-Specified Investments.

## **7. BANKING CONTRACT**

- 7.1 The current banking contract is with the Co-op Bank and ends on March 31<sup>st</sup>, 2016. As previously reported, The Co-op has announced its decision to withdraw from the local authority market.
- 7.2 To attain a more competitive price and to reduce the burden of tendering this service, the Council took part in a joint procurement exercise for banking services with 4 other

Derbyshire authorities. The contract is for 7 years with an option to extend for up to 10 years.

- 7.3 Three tenders were received on 15<sup>th</sup> August 2014. These tenders have been evaluated and a decision has been made to award the contract to Lloyds Bank. It is anticipated that the change of bankers will commence in Summer 2015.
- 7.4 The tender price is in line with the current budget provision.

## **8. RECOMMENDATIONS**

- 8.1 That the **Council** is recommended to:
- (i) Note the outturn Prudential Indicators for 2013/14;
  - (ii) Note the treasury management stewardship report for 2013/14;
  - (iii) Note the treasury management position for the first five months of 2014/15;
  - (iv) Approve the proposed changes to the investment arrangements and limits (Section 6);
  - (v) Note the new contract for provision of banking services.

## **9. REASON FOR RECOMMENDATION**

- 8.1 To comply with the Council's Treasury Management Policy and Practices, the CIPFA Code of Practice on Treasury Management (2009) and the CIPFA Prudential Code for Capital Finance in Local Authorities (2009).

**B DAWSON  
HEAD OF FINANCE**

# **Annual Treasury Management Review 2013/14**

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## **Annual Treasury Management Review 2013/14**

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### **1. Purpose**

This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2013/14. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

During 2013/14 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 28/02/2013)
- a mid-year (minimum) treasury update report (Council 16/10/2013)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

This Council also confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Standards & Audit Committee before they were reported to the full Council.

### **2. The Economy and Interest Rates**

The financial year 2013/14 continued the challenging investment environment of previous years, namely low investment returns, although levels of counterparty risk had subsided somewhat. The original expectation for 2013/14 was that Bank Rate would not rise during the year and for it only to start gently rising from quarter 1 2015. This forecast rise has now been pushed back to a start in quarter 3 2015. Economic growth (GDP) in the UK was virtually flat during 2012/13 but surged strongly during the year. Consequently there was no additional quantitative easing during 2013/14 and Bank Rate ended the year unchanged at 0.5% for the fifth successive year. While CPI inflation had remained stubbornly high and substantially above the 2% target during 2012, by January 2014 it had, at last, fallen below the target rate to 1.9% and then fell further to 1.7% in February. It is also expected to remain slightly below the target rate for most of the two years ahead.

Gilt yields were on a sharply rising trend during 2013 but volatility returned in the first quarter of 2014 as various fears sparked a flight to quality (see paragraph 4.) The Funding for Lending Scheme, announced in July 2012, resulted in a flood of cheap credit being made available to banks which then resulted in money market investment rates falling drastically in the second half of that year and continuing



into 2013/14. That part of the Scheme which supported the provision of credit for mortgages was terminated in the first quarter of 2014 as concerns rose over resurging house prices.

The UK coalition Government maintained its tight fiscal policy stance but recent strong economic growth has led to a cumulative, (in the Autumn Statement and the March Budget), reduction in the forecasts for total borrowing, of £97bn over the next five years, culminating in a £5bn surplus in 2018-19.

The EU sovereign debt crisis subsided during the year and confidence in the ability of the Eurozone to remain intact increased substantially. Perceptions of counterparty risk improved after the ECB statement in July 2012 that it would do “whatever it takes” to support struggling Eurozone countries; this led to a return of confidence in its banking system which has continued into 2013/14 and led to a move away from only very short term investing. However, this is not to say that the problems of the Eurozone, or its banks, have ended as the zone faces the likelihood of weak growth over the next few years at a time when the total size of government debt for some nations is likely to continue rising. Upcoming stress tests of Eurozone banks could also reveal some areas of concern.

### **3. Overall Treasury Position as at 31 March 2014**

The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the beginning and the end of 2013/14 the Council's treasury position was as follows:

<b>TABLE 1</b>	31 March 2013 Principal £000	Rate/ Return %	Average Life years	31 March 2014 Principal £000	Rate/ Return %	Average Life years
<b>General Fund:</b>						
Long term debt	4,638	6.39	10.3	4,298	6.21	10.1
CFR	8,357			10,660		
Over / (under) borrowing	(3,719)			(6,362)		
Short term debt	4,000	0.39		5,060	0.39	
<b>HRA:</b>						
Long term debt	138,104	3.99	24.4	135,609	3.92	23.8
CFR	142,680			140,540		
Over / (under) borrowing	(4,576)			(4,931)		
Total investments	24,219	1.18		23,122	0.34	
Net debt	122,523			121,845		

#### 4. The Strategy for 2013/14

The Council's overall core borrowing strategy is as follows:-

- To reduce the revenue costs of debt
- To manage the Council's debt maturity profile, leaving no one future year with a high level of repayments that might cause problems in re-borrowing
- To secure funding at the cheapest cost commensurate with future risk
- To reschedule debt in order to take advantage of potential savings as interest rates change. Any reschedule exercise will be considered in terms of the premiums and discounts on the General Fund and HRA.
- To manage the day to day cash flow of the Authority in order to, where possible, negate the need for short term borrowing.

The Head of Finance will take the most appropriate form of borrowing depending on prevailing interest rates at the time. It is likely that short term fixed rates may provide lower cost opportunities in the short/medium term.

The option of postponing borrowing and running down investment balances will also be considered. This would reduce counterparty risk and offset the expected fall in investment returns.

## 5. The Borrowing Requirement and Debt

The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's debt position. The CFR results from the capital activity of the Council and what resources have been used to pay for the capital spend. It represents the 2013/14 and prior years' net or unfinanced capital expenditure that has not yet been charged to revenue or other resources.

Part of the Council's treasury activities is to address the funding requirement for this borrowing need. This may be sourced through borrowing from external bodies (such as the Government, through the Public Works Loan Board (PWLB) or the money markets), or utilising temporary cash resources within the Council.

The General Fund element of the CFR is reduced each year by a statutory revenue charge.

The total CFR can also be reduced by:

- The application of additional capital financing resources (such as capital receipts); or
- Charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP)

<b>CFR: General Fund</b>	<b>31 March 2013 Actual £000</b>	<b>31 March 2014 Revised £000</b>	<b>31 March 2014 Actual £000</b>
Opening balance	7,848	8,357	8,357
Add unfinanced capital expenditure	1,022	1,998	2,620
Less MRP/VRP	(513)	(318)	(317)
Closing balance	8,357	10,037	10,660

<b>CFR: HRA</b>	<b>31 March 2013 Actual £000</b>	<b>31 March 2014 Revised £000</b>	<b>31 March 2014 Actual £000</b>
Opening balance	142,680	142,680	142,680
Add unfinanced capital expenditure	-	-	-
Less MRP/VRP	-	(2,140)	(2,140)
Closing balance	142,680	140,540	140,540

## 6. Borrowing Outturn for 2013/14

**Borrowing** – There was no new long term borrowing during the year.

**Rescheduling** - No rescheduling was undertaken during the year.

**Repayments** – Repayments of £2m were made in the year.

	<b>2012/13 Actual £000</b>	<b>2013/14 Revised £000</b>	<b>2013/14 Actual £000</b>
Interest payable on borrowing			
General Fund	399	523	541
HRA	5,513	5,438	5,440

## 7. Investment Outturn for 2013/14

**Investment Policy** – the Council’s investment policy is governed by CLG guidance, which was been implemented in the annual investment strategy approved by the Council on 28<sup>th</sup> February 2013. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

**Investments held by the Council** - the Council maintained an average balance of £4.05m of internally managed funds. The internally managed funds earned an average rate of return of 0.94%. The comparable performance indicator is the average 7-day LIBID rate (uncompounded), which was 0.354%. This compares with a budget assumption of £3.7m investment balances earning an average rate of 0.97%.

**Investments held by fund managers** – the Council uses Investec Asset Management as external fund managers to invest part of its cash balances. The performance indicator is the average 7 day LIBID rate (compounded). The performance of the managers against the benchmark return was:

Fund Manager	Investments Held	Return	Benchmark*
Investec	£21.7m	0.226%	0.356%

This compares with a budget assumption of average investment balances of £21.7m at 0.32% investment return. Performance during the year has been disappointing compared to the benchmark and the rest of the industry. A review of the Council's investment arrangements is currently being undertaken by the Head of Finance.

## Appendix 1: Prudential and treasury indicators

1. PRUDENTIAL INDICATORS	2012/13	2013/14	2013/14
	actual	revised	actual
	£'000	£'000	£'000
<b>Capital Expenditure</b>			
General fund	3,739	6,609	6,458
HRA	16,211	15,387	12,739
TOTAL	19,950	21,996	19,197
<b>Ratio of financing costs to net revenue stream</b>			
General Fund	3.23%	4.50%	4.65%
HRA	16.19%	15.43%	15.31%
<b>Gross borrowing requirement General Fund</b>			
brought forward 1 April	11,376	8,638	8,638
carried forward 31 March	8,638	8,176	9,358
in year borrowing requirement	(2,738)	(462)	720
<b>Gross borrowing requirement HRA</b>			
brought forward 1 April	139,467	138,104	138,104
carried forward 31 March	138,104	136,609	135,609
in year borrowing requirement	(1,363)	(1,495)	(2,495)
<b>Gross debt</b>	146,742	144,785	144,967
<b>CFR</b>			
General Fund	8,357	10,037	10,660
HRA	142,680	140,540	140,540
TOTAL	151,037	150,577	151,200
<b>Annual change in Cap. Financing Requirement</b>			
General Fund	509	1,680	2,303
HRA	-	(2,140)	(2,140)
TOTAL	509	(460)	163

<b>2. TREASURY MANAGEMENT INDICATORS</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2013/14</b>
	<b>actual</b>	<b>revised</b>	<b>actual</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Authorised Limit for external debt -</b>			
borrowing	162,000	161,500	161,500
other long term liabilities	-	-	-
<b>TOTAL</b>	<b>162,000</b>	<b>161,500</b>	<b>161,500</b>
<b>Operational Boundary for external debt -</b>			
borrowing	150,850	150,250	150,250
other long term liabilities	-	-	-
<b>TOTAL</b>	<b>150,850</b>	<b>150,250</b>	<b>150,250</b>
<b>Maximum external debt during year</b>	150,843	-	150,241
<b>Actual external debt as at 31<sup>st</sup> March</b>	146,742	144,785	144,967
<b>Maximum HRA debt limit</b>	138,104	136,609	135,609
<b>Upper limit for fixed interest rate exposure</b>	50% - 100%	50% - 100%	50% - 100%
<b>Upper limit for variable rate exposure</b>	0% – 50%	0% – 50%	0% – 50%
<b>Upper limit for total principal sums invested for over 364 days</b> (per maturity date)	25%	25%	25%

<b>Maturity structure of fixed rate borrowing during 2013/14</b>	<b>upper limit</b>	<b>lower limit</b>
under 12 months	15%	0%
12 months and within 24 months	15%	0%
24 months and within 5 years	45%	0%
5 years and within 10 years	75%	5%
10 years and above	95%	25%

The maturity structure of the debt portfolio was as follows:

	31 March 2013 Actual £000	31 March 2014 Actual £000
Under 12 months	2,836	1,861
12 months and within 24 months	1,861	2,887
24 months and within 5 years	6,743	5,823
5 years and within 10 years	10,783	11,817
10 years and above	120,519	117,519

The maturity structure of the investment portfolio was as follows:

	2012/13 Actual £000	2013/14 Actual £000
Less than one year	24,219	19,962
Over 1 year	-	3,160
Total	24,219	23,122



## **FOR PUBLICATION**

### **ANNUAL EVALUATION OF OVERVIEW AND SCRUTINY ARRANGEMENTS**

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MEETING:	COUNCIL
DATE:	15 <sup>TH</sup> OCTOBER 2014
REPORT BY:	POLICY MANAGER AND POLICY AND SCRUTINY OFFICER
WARD:	ALL
KEY DECISION REFERENCE (IF APPLICABLE):	FORWARD PLAN ENTRY REF : NON KEY DECISION NO 28

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#### FOR PUBLICATION

BACKGROUND PAPERS FOR PUBLIC REPORTS: 1. Report to Cabinet on 29 November 2011 and to Council on 14 December 2011.  
2. Report to Cabinet on 9 July 2013 and to Council on 24 July 2013.

TITLE: 1. Independent review of scrutiny proposed new scrutiny arrangements.  
2. Review of revised overview and scrutiny arrangements 2012/13.

LOCATION: Scrutiny Office (Room 3.33).

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#### **1.0 PURPOSE OF REPORT**

1.1 To respond to the Cabinet decision of 9 July 2013 and Council decision of 24 July 2013 to evaluate and report on the implementation of the Council's overview and scrutiny arrangements after a further 12 months of operation.

- 1.2 To make recommendations to Cabinet and Council to help ensure continuous improvement of the delivery of the Council's overview and scrutiny function.

## **2.0 RECOMMENDATIONS**

- 2.1 That an extended internal review of overview and scrutiny arrangements takes place during 2014/15.
- 2.2 That the current overview and scrutiny committees and arrangements be retained until the 2014/15 review is completed.
- 2.3 That further training for Members and Officers be provided after the review.

## **3.0 BACKGROUND**

- 3.1 In July 2010 Cabinet agreed that an external review of the overview and scrutiny function be undertaken and an independent review was then commissioned. The findings and recommendations of the independent review were considered by Cabinet on 29 November and Council on 14 December 2011 where new arrangements for scrutiny were agreed and put in place subject to an evaluation after 12 months.
- 3.2 The new arrangements were evaluated in 2012/13 and reported to Cabinet on 9 July 2013 and Council on 24 July 2013. A further annual evaluation was also agreed.
- 3.3 The current scrutiny arrangements have now been in operation for more than 2 years. Scrutiny committees, with all scrutiny stakeholders, continue to work pro-actively to undertake and support scrutiny work. Scrutiny's achievements for the year are detailed fully within the Scrutiny Annual Report 2013/14 received by Council on 30 July 2014.
- 3.4 Annual evaluations are recommended to ensure continuous improvement of the scrutiny function and its delivery. This report details the 2013/14 evaluation. The 2013/14 evaluation headline report is attached at Appendix 1 and the 2012/13 to 2013/14 trend analysis is attached at Appendix 2.
- 3.5 The report was considered by Cabinet at its meeting on 23 September and it was resolved that the recommendations be supported. [Cabinet Minute No.85]

## **4.0 METHODOLOGY**

4.1 The evaluation took place between April and June 2014. The primary method of research comprised of a self-completion survey. The same questionnaire was used in 2013/14 as in the previous year to enable benchmarking. The questions were designed around each of the key findings of the independent review as detailed in the report of the Head of Governance to Cabinet on 29 November 2011. The questions are therefore intended to cover the following key issues raised in that independent report:

- (1) Overview and Scrutiny Structure
- (2) Scrutiny link officers
- (3) Scrutiny pre-agenda meetings
- (4) Scoping of reviews
- (5) Resources
- (6) Scrutiny protocols / procedure notes
- (7) Induction/follow-up sessions for Members and Officers
- (8) Executive inviting Scrutiny to look at certain issues
- (9) Scrutiny reviews to full Council
- (10) Importance of Forward Plan
- (11) Possible bi-monthly informal meetings between Chair, Vice-Chair and Portfolio Cabinet Member(s).

4.2 Questions were also designed to ensure a balance of quantitative and qualitative data providing both statistical measures of improvement together with contextual data to provide suggestions and ideas for further improvement actions.

## **5.0 EVALUATION RESULTS**

5.1 The survey sample included Council Members (48) Chief / Senior Officers, and Service Managers/Scrutiny Link Officers (79) a total of 127 persons surveyed. Of the 127, a total of 44 responses were received giving a response rate of 34% an improvement of 16% on last year's return.

5.2 Of those 44 respondents, 7 (16%) were Scrutiny Members, 10 (23%) were other Members, 24 (54%) were Officers and 3 (7%) not indicated. Appendix 2 also provides a breakdown of responses into the three respondent groups of (i) Scrutiny Member (ii) Other Member and (iii) Officer.

5.3 Appendices 1 and 2 attached provide all the survey response data received. It should be noted that for many of the measures almost 50% of respondents chose the "don't know" option.

5.4 The following measures improved significantly between 2012/13 and 2013/14:

- Overall experience of scrutiny under the new arrangements
- Resources and support for scrutiny
- Improved procedure rules and informal protocols

5.5 The following measures marginally improved:

- Effective overview and scrutiny committee structure
- Scrutiny link officers
- Scoping of scrutiny reviews

5.6 The following measures saw a dip in performance for 2013/14:

- Effective scrutiny committee pre-agenda meetings
- Learning sessions for members and officers
- Awareness of Forward Plan and key decisions
- Awareness of scrutiny project groups
- Scrutiny and executive effective working relationship
- Informal meetings between Scrutiny Chairs, Vice Chairs and Executive Members

## **6.0 PROGRESS AND CHALLENGES**

6.1 When benchmarking against the 2012/13 evaluation 50% of the measures showed some improvement and 50% declined in performance.

6.2 Concerns have been raised by overview and scrutiny members about the large number of respondents choosing the “don’t know” option for the questions. This could indicate a lack of awareness and engagement in overview and scrutiny activities. Engagement levels in some of meetings and processes including Scrutiny Link Officers and pre-agenda meetings would support this assertion.

6.3 Due to the issues raised at 6.1 and 6.2 the results of the 2013/14 evaluation are considered to be inconclusive.

6.4 Since the 2011 external review and subsequent annual evaluations there have been a number of key changes influencing the overview and scrutiny functions including:

- New functions for example Health and Wellbeing responsibilities and the Sheffield City Region Combined Authority
- Re-focused Corporate Planning and associated resource alignment

- Major restructures impacting on Scrutiny including the Corporate Management Team, Governance Service and Policy Service.

## **7.0 PROPOSED EXTENDED REVIEW**

- 7.1 Due to the issues raised in section 6, particularly that the 2013/14 evaluation is considered to be inconclusive, it is felt that the time is right to revisit the findings of the 2011 external review and subsequent recommendations taken forward to assess whether or not these arrangements are still appropriate and working as envisaged.
- 7.2 The proposed scope of the review is:
- Overview and scrutiny structure
  - Policies, procedures and documents
  - Overview and scrutiny work programme
  - Officer resource
  - Awareness and engagement
- 7.3 The review should be completed by February 2015 to enable any changes to be implemented early in the 2015/16 financial year.
- 7.4 A draft Project Brief is attached at Appendix 3.

## **8.0 RISK CONSIDERATIONS**

- 8.1 There are no risk implications arising from the contents of this report. Risk Assessment will form a key part of the 2014/15 review.

## **9.0 FINANCIAL CONSIDERATIONS**

- 9.1 Overview and Scrutiny had previously been recognised as under-resourced. The 2013/14 Governance restructure increased the level of employee resource significantly by introducing the Scrutiny and Committee Co-ordinator roles. Due to current and future financial challenges additional financial and employee resources are unlikely to be available. Review recommendations must be achievable via existing resource allocations.

## **10.0 EQUALITIES CONSIDERATIONS**

- 10.1 There are no equalities implications arising from the contents of this report. The appropriate level of equality analysis will take place for any proposed changes emerging from the review.

## **11.0 RECOMMENDATIONS**

- 11.1 That an extended internal review of overview and scrutiny arrangements takes place during 2014/15.
- 11.2 That the current overview and scrutiny committees and arrangements be retained until the 2014/15 review is completed.

## **12.0 REASON FOR RECOMMENDATIONS**

- 12.1 To ensure continuous improvement and the effective and efficient delivery of the Council's overview and scrutiny function.

DONNA REDDISH  
POLICY MANAGER

ANITA CUNNINGHAM  
POLICY AND SCRUTINY OFFICER

Further information on this matter can be obtained from Anita Cunningham  
(Tel. 01246 345273).

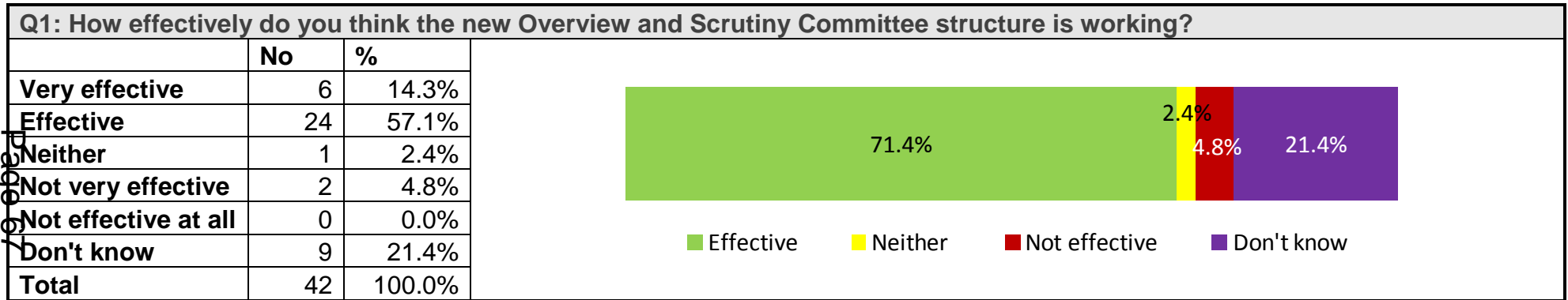
# Scrutiny Survey Report 2014

Format **Web – a link to the survey was emailed to members and officers**

Date range: **28<sup>th</sup> April 2014 to 16<sup>th</sup> May 2014**

Total responses: **44 (web)**

## 1. How effectively do you think the new Overview and Scrutiny Committee structure is working?



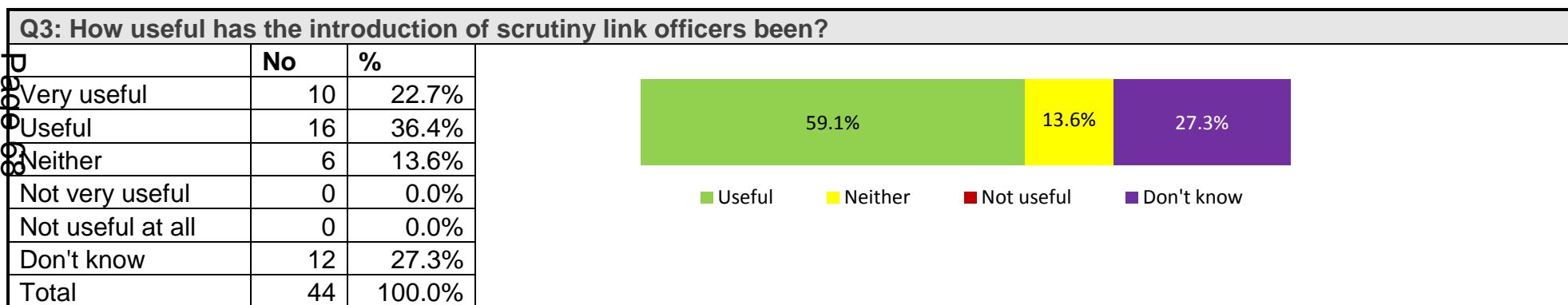
## 2. How could we improve the Overview and Scrutiny Committee Structure further?

- The very close relationship between Executive and Scrutiny undermines the scrutiny process. Some members of scrutiny do not say anything in the presence of members of the executive. They don't even ask questions and yet they are expected to take part in scrutiny.
- Tell people about it and what you do
- This comment is not really about the structure as such but I feel it would improve the whole scrutiny experience. By encouraging all members to take a more positive and pro-active role in the scrutiny process. There are still complaints now and again that back bench members aren't informed about things etc - if they became more involved with scrutiny they would not only be informed but also be able to have some input into policies, strategies and courses of action before the final decision is made.
- Whilst there will always be fresh items of business, e.g. dealing with call-in requests, I still feel the Committee is trying to do too much; and, at times, diverts its attention away from its agreed work programme on to single issue items of business. Just as the Council has

narrowed its priorities to better align with the financial and officer resources available, the Committee might wish to consider doing likewise.

- Better communication
- Can think of no improvements at the moment but, as always, we will seek to improve.
- Support for admin needs to be firmed up especially as there have been changes in Democratic Services. Also more Councillors need to be involved in the Groups. I think that a cabinet member not attached to the issue under Scrutiny could take part as we have Asst Execs as well as excess so reducing available pool.
- Not sure I have enough knowledge to say how to improve it.
- Understand what the role is and what decisions are made by the committee
- Many staff are not aware of the important role that Scrutiny undertake and have little contact with members of the Committee.

### 3. How useful has the introduction of scrutiny link officers been?



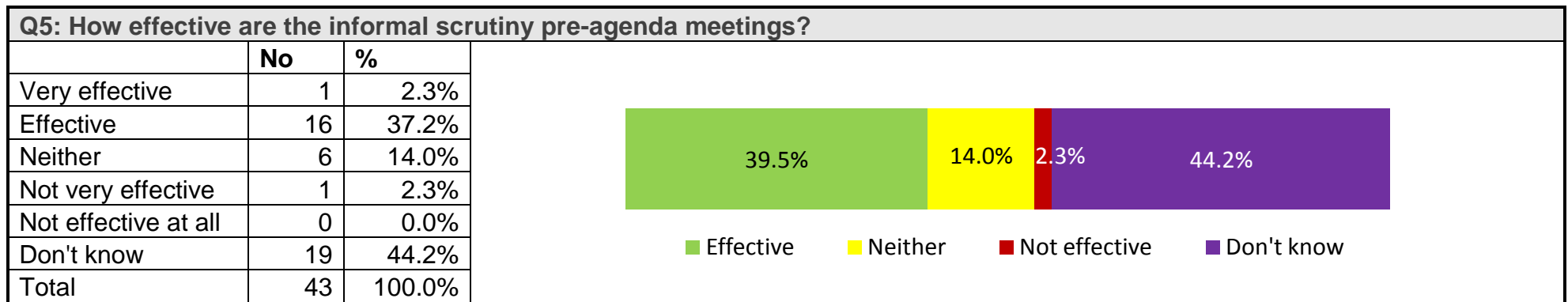
### 4. How could the scrutiny link officer role be improved?

- More involvement at team meetings etc
- Tell people what you do
- Seems to be little enthusiasm from some of the officers but this is improving meeting by meeting. Meetings are now to be held less often so may improve the quality of the ones we do hold.
- I haven't encountered the function so difficult to make suggestions.
- Who are the scrutiny link officers?



- If i am very honest I probably don't pay enough attention to scrutiny , having a number of other interests to juggle (chair of planning committee ,ward member -where my two colleagues are currently indisposed on medical grounds (so I am doing all the casework),Member of County council for another area ,vice chair of Audit at the county and member of the fire authority .Unless scrutiny directly impacts on these areas if i am honest I cant see me taking an active role in the near future.

5. How effective are the informal scrutiny pre-agenda meetings?



6. How could we improve pre-agenda meetings?

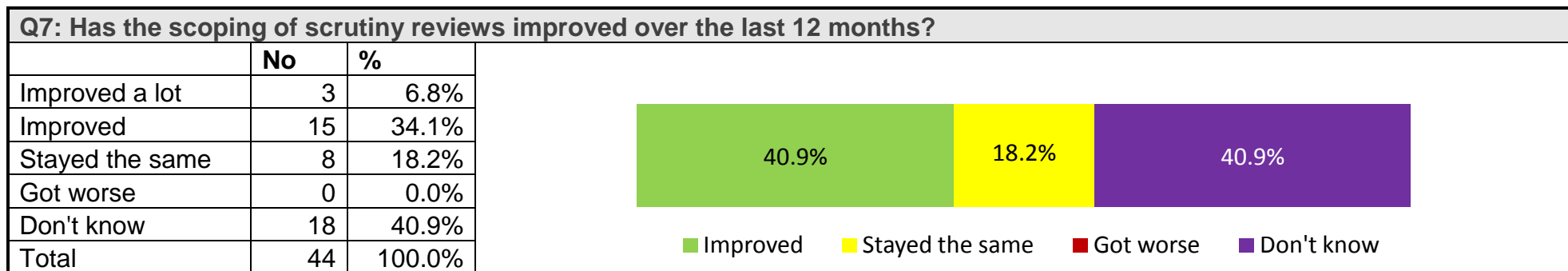
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Without detracting from the informality sometimes they could do with a bit more focus.

This is a difficult one. Feel that pre agenda meetings are a great idea, but I am never sure when they take place. Perhaps if the meetings better flagged up it would be useful.

- I haven't attended one personally but I believe they are effective at least from what officers have said. Scrutiny members and those attending to address the committee all appear to be more at ease and working from the same hymn sheet!
- Not attended any meetings, so difficult to comment. But, I understand that they're effective.
- Could be better used / attended by officers / members bringing reports forward. Perhaps better promotion would help.
- Not always necessary to have one, but we have had very good meetings when they have taken place. Up to date information not always available as early as needed, but this is because officers want scrutiny to have the most relevant data at the meeting.
- I'm not aware of the scrutiny process, so unsure of the benefits of the pre agenda meetings
- not involved
- Effective but time consuming

**7. Has the scoping of scrutiny reviews improved over the last 12 months?**



**8. What could we do to improve the scoping of scrutiny review further?**

Panel chairs do not always have the skills to undertake the scoping and yet there are no resources they can draw on. This is a deterrent for people who want to volunteer to chair panels.

I think this activity has improved. But, I would encourage the Committee to draw more on the officer resources of the Council to help scope future reviews. There are occasions where a particular path has been followed, which could have been closed down earlier if advice from officers had been sought.

- Consult relevant service head / manager and relevant portfolio holder for comment.
- The tools we use for the report are a bit difficult to get ones head round especially if one has used other project planning and reporting tools
- I don't have access to the reviews

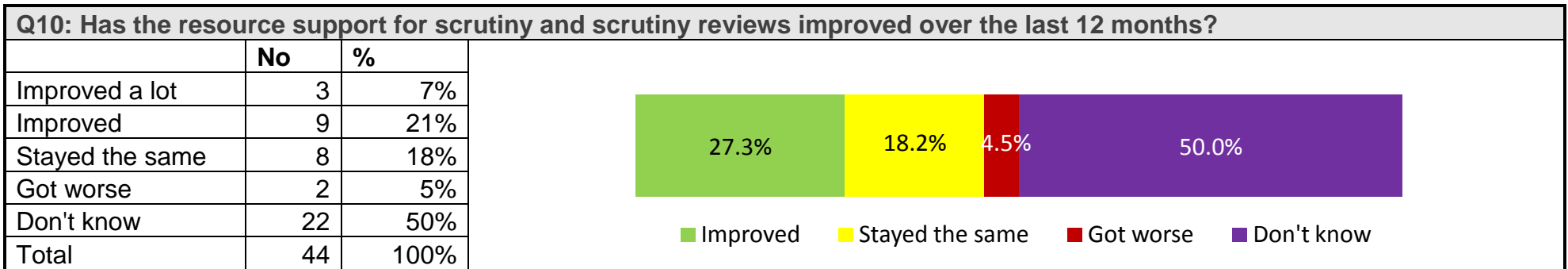
**9. What else could we do to improve the operation and outcomes of scrutiny reviews?**

- Publish reviews
- Encourage proper discussions rather than party political charade. I think some members of scrutiny do not seem to know the difference between scrutiny and political jousting. Each member of scrutiny should be afforded even when you don't agree with their view. Having two chairs is not at all effective as their different styles of chairing increase inconsistencies. I have every respect for one even when I disagree but have no consideration to the other who seems to think all members of scrutiny from other parties are enemies just because they don't tow the line.
- I think care needs to be taken in capturing contributions and ensuring they are timely in terms of policy development.

- I believe a number of scrutiny members find scrutiny confusing, I think some 'inset' sessions would help to remove some of confusion in our attempts to scrutinise council policy.
  - Involve relevant (cabinet) members and officers from the beginning and also keep them informed etc. Of the 2 scrutiny reviews I can think of that had some involvement with my portfolio, the first I wasn't even aware of until being asked to attend scrutiny committee where it was getting a final reading, the 2nd I knew little about even when I attended one of the review meetings!
  - We need to make the right appointments to the new roles that have been created within Democratic services to help support the scrutiny review panels with their research, report writing etc.
  - More pre planning with key Officers involved in the review
  - Consult relevant manager / portfolio holder on final draft scrutiny project report so comments can be considered by the Project Group before they finalise the report. Ensure there is a written report back from Cabinet with a decision on scrutiny recommendations so it is clear when recommendations have been approved or refused and the impact of scrutiny can be clearly measured.
  - I am not aware of what goes on in scrutiny as I am not on the committee and never have been
  - Better sharing of findings
  - Ensure they are carried out to the agreed date where possible and also ensure the scoping is agreed before ANY action is taken
  - I think it needs a bit more time for us to see the groups work under the new scheme as it is early days yet. I think Officers still need to understand the new way of working as some still appear to think we are being critical after the event
- tell me where the information is stored so I can read it and keep up to date - provide me with a simple process flow outlining the scrutiny process - make information available on the intranet
- Secretarial assistance

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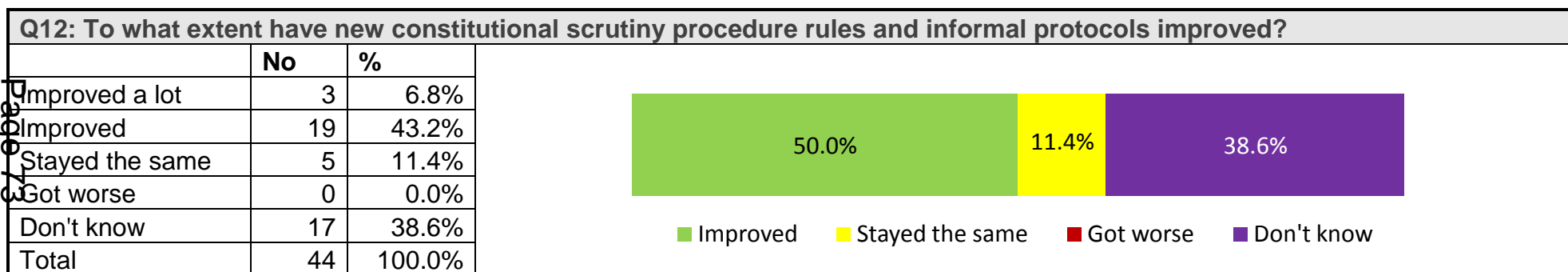
**10. Has the resource support for scrutiny and scrutiny reviews improved over the last 12 months?**



### 11. How could we improve the resourcing for scrutiny and scrutiny reviews?

- If anything it has decreased at a time when scrutiny is taking on more and more work. The resources identified in the review that lead to the new structure have not materialised. Panels have no resources to support them and it seems that the scrutiny officer feels her support is to the forum chairs.
- As above again
- Still no admin support.
- See previous answer ...
- Ensure Scrutiny Project Group Leads complete and submit the relevant Resource Request Form to the Policy and Scrutiny Officer / Scrutiny Chair
- What are the current arrangements for scrutiny support

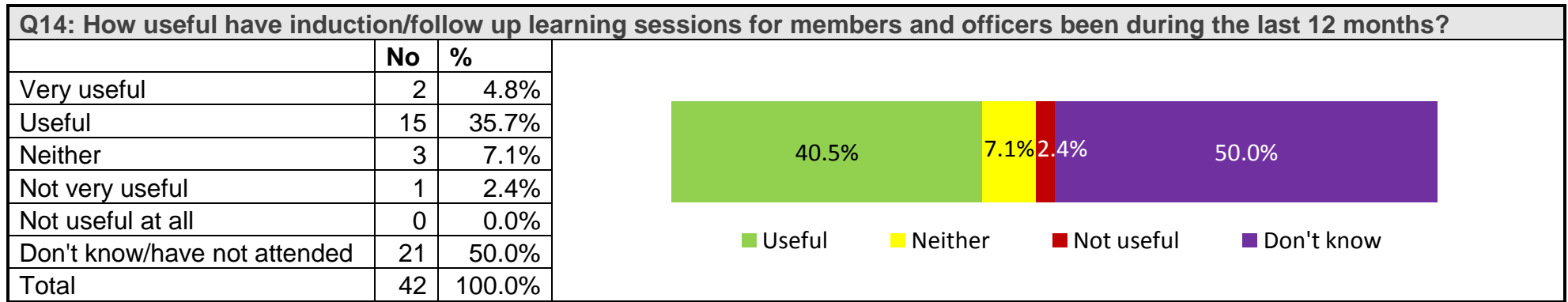
### 12. To what extent have new constitutional scrutiny procedure rules and informal protocols improved?



### 13. How could we improve the procedures and protocols further?

- It has been useful to have the communications but as i haven't been through the process for a while its hard to say how to improve.
- Scrutiny seems to have upped its profile and was impressed by the public consultation at assemblies

14. How useful have induction/follow up learning sessions for members and officers been during the last 12 months?



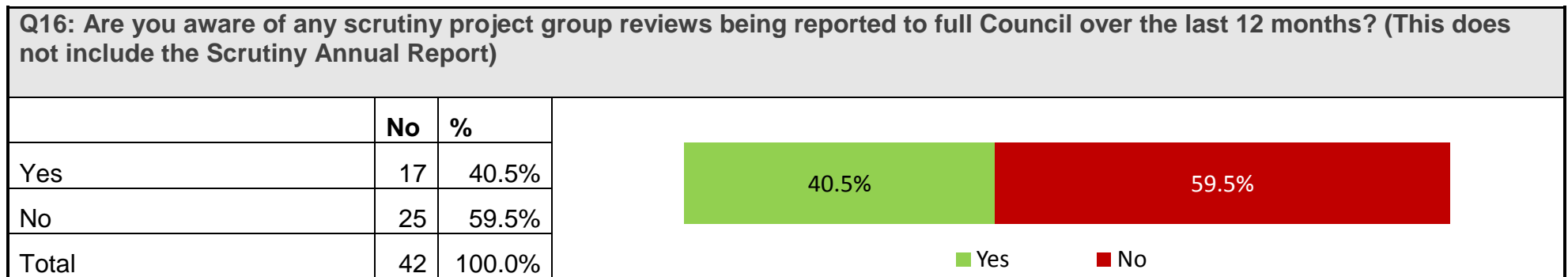
15. How could we improve the procedures and protocols further?

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More inset required

The members who attend seem happy, but not very well attended. It has been suggested that we have them later, but this would mean a special meeting held separately from the forum. This may not be popular either.

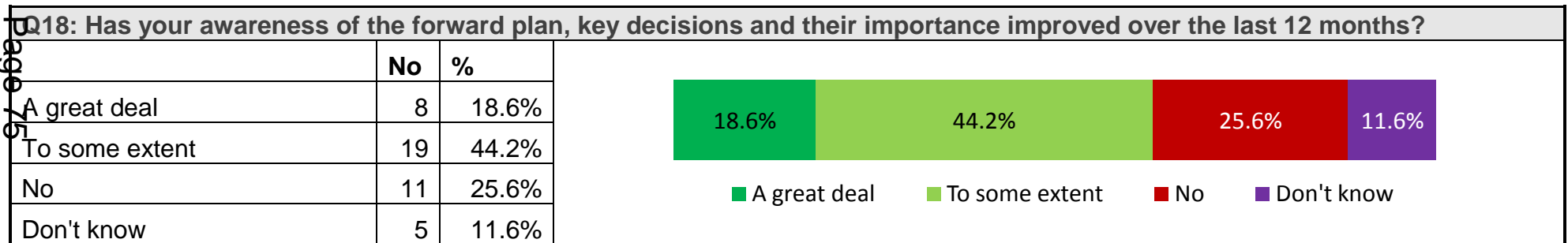
16. Are you aware of any scrutiny project group reviews being reported to full Council over the last 12 months? (This does not include the Scrutiny Annual Report)



**17. What scrutiny project group reviews do you think should have been reported to full council during the last 12 months?**

- New proposed leisure centre at Queen's Park
- All scrutiny project reviews report to Cabinet and the minutes of all Cabinet meetings are considered by full Council. Therefore full Council is aware of all scrutiny project reviews that have reported to Cabinet
- I could be wrong but I think all the scrutiny reviews were reported to cabinet. Perhaps it would be a good idea to report all scrutiny reviews to full council first, if the recommendations are something that cabinet has to make the decision about full council can always refer it to cabinet. By reporting to council first, all members will hear the details etc & would get an opportunity to ask questions - whether to the scrutiny lead or a cabinet member, perhaps both - & discuss etc
- The outcomes of a number of reviews have been reported at Cabinet, on the basis that this is the appropriate decision-making body pertaining to the subject matter(s) under review. I can't think of any reviews that should have been reported to full Council during the past 12 months.
- New QPSC

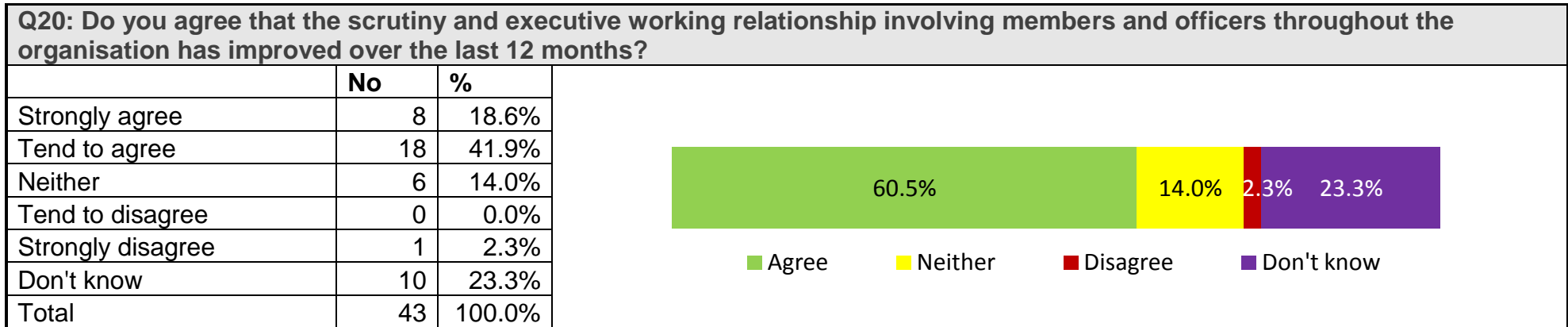
**18. Has your awareness of the forward plan, key decisions and their importance improved over the last 12 months?**



**19. How could we further raise the profile of the forward plan and its importance?**

- I have always used forward plan effectively in the last 5 years.
- By encouraging members, particularly, members of Scrutiny Committees to read it. Maybe whenever the forward plan is updated all Members could automatically be sent an e mail that includes a link to the updated forward plan.
- As I'm working with the Forward Plan every week, I'm very much aware of it. It might be worth publishing through social media (Facebook, Twitter) advance notice of up and coming key decisions.
- Given my position I was fully aware of them before An article in Borough Bulletin, info on intranet
- Ensure each entry in the Forward Plan clearly outlines what the matter is about.
- Discussion at assemblies - I attend 3 of the 4.

**20. Do you agree that the scrutiny and executive working relationship involving members and officers throughout the organisation has improved over the last 12 months?**



**21. Please give reasons for your answer:**

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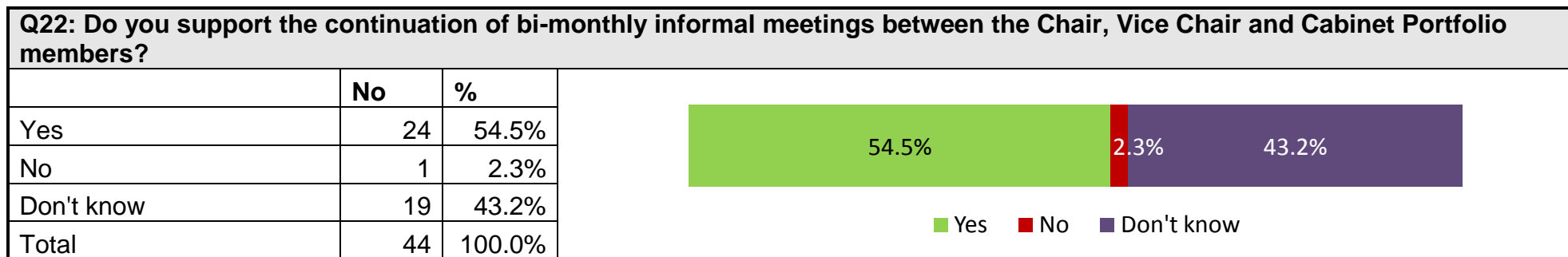
Closer relationship leading to worse outcomes in my opinion.

As a member of cabinet I have benefitted from invites to and information from scrutiny.

- The periodic informal discussions between the Scrutiny Chairs and Executive Members have started and seem to be working satisfactorily. In addition, Executive Members are now attending brief sessions with Scrutiny Members before the start of Scrutiny Forum meetings to update them on progress with Great Place Great Service.
- I am a Cabinet member rather than a scrutiny member - from my perspective (as a former scrutiny member & now a cabinet member) the scrutiny / executive relationship is improving constantly. 3 years ago I don't think there was a relationship between the two - it was frustrating as a scrutiny member to be presented with a document, make valid comments & suggestions that meant nothing as the document had already been signed off - scrutiny had no input! As far as I can I always ask for things to go to scrutiny before sign off. Scrutiny members may have a different view to this!
- I can't really talk from personal experience, as I've only been on a couple of occasions. But, I sense from talking to Executive members and officer colleagues that relationships are much improved.
- The Link Officers meeting has been instrumental in this
- Much more pro-active working and informal communication taking place between officers and members around scrutiny and scrutiny work.
- Higher profile



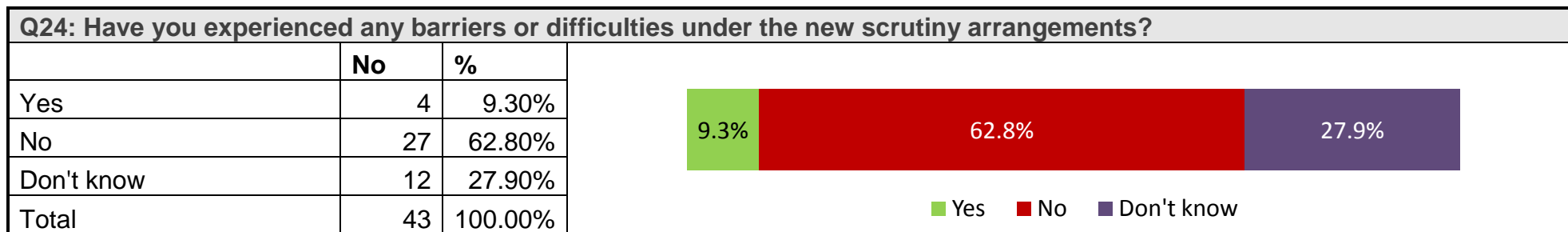
**22. Do you support the continuation of bi-monthly informal meetings between the Chair, Vice Chair and Cabinet Portfolio members?**



**23. Please give reasons for your answer:**

- Did not know that happened
- We live in challenging times where difficult decisions have to be made. Scrutiny becomes very important in these circumstances. How else can the Chair and Vice Chair be kept informed about current developments and what will be coming up over the horizon in relation to the portfolio holder's portfolio. Nothing beats regular face to face discussions.
- Not aware of such meetings
- I haven't been to one as yet, I haven't felt the need to. However, if there was something I wanted to discuss with the scrutiny chairs I would contact them anyway. In addition, I do try to ensure all new projects etc in my portfolio are taken to scrutiny in one form or another - for example, the relevant officer may just have an informal meeting with the chairs, who can then decide whether a committee should get involved etc.
- Ensure joined up thinking between Scrutiny chairs and Exec members
- Provides opportunity for informal conversations about scrutiny outside of the public arena.
- Too often once a month should be sufficient
- What are the benefits of these meetings?
- Scrutiny should be careful about seeking to collude with Lead Members. This is hierarchical and not democratic.

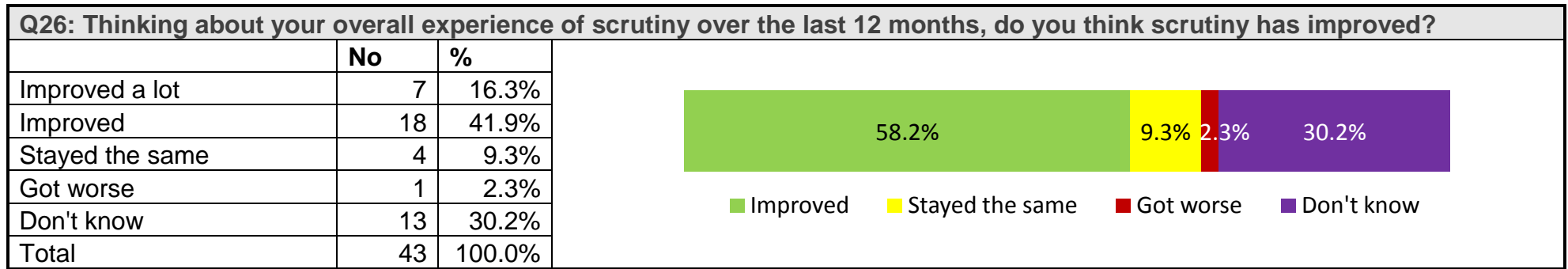
**24. Have you experienced any barriers or difficulties under the new scrutiny arrangements?**



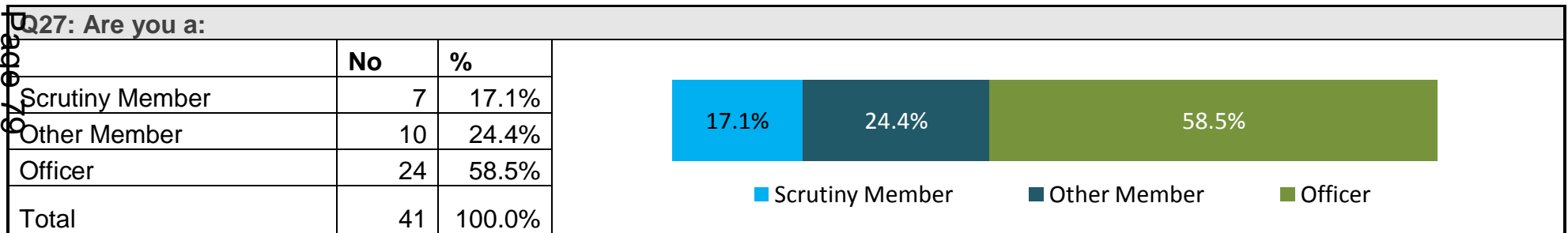
**25. If yes, what are the barriers and how could we reduce them?**

- Page 178
- There is a lot of antagonism towards members of the main opposition and this has 2 effects: - their views are quickly disregarded if they are not shouted down - some opposition members no longer contribute as they see the process as a waste of time.
  - Sometimes lack of notice. Once a lack of invite to a relevant scrutiny meeting.
  - I believe that Scrutiny needs to become more flexible in terms of arranging dates, times and venues for both committee meetings and informal meetings with Executive Members, to make more use of the telephone for ascertaining availabilities and to make more use of the Microsoft Calendar system for issuing invitations to meetings.
  - The issue of cutting across other formal processes such as planning

26. Thinking about your overall experience of scrutiny over the last 12 months, do you think scrutiny has improved?



27. Are you a:



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## Scrutiny Survey Report 2014 – Appendix 2: Trend and respondent analysis

Format **Web – a link to the survey was emailed to members and officers**

Date range: **28<sup>th</sup> April 2014 to 16<sup>th</sup> May 2014**

Total responses: **44 (web)**

<b>Q1: How effectively do you think the new Overview and Scrutiny Committee structure is working?</b>						
	<b>2013/2014</b>					<b>2012/13</b>
	<b>All Respondents</b>		<b>Scrutiny Member</b>	<b>Other Member</b>	<b>Officer</b>	<b>All Respondents</b>
	<b>No</b>	<b>%</b>				
<b>Very effective</b>	6	14.3%	14.3%	33.3%	8.3%	8.7%
<b>Effective</b>	24	57.1%	57.1%	66.7%	50.0%	60.9%
<b>Neither</b>	1	2.4%	14.3%	0.0%	0.0%	13.0%
<b>Not very effective</b>	2	4.8%	14.3%	0.0%	4.2%	4.3%
<b>Not effective at all</b>	0	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Don't know</b>	9	21.4%	0.0%	0.0%	37.5%	13.0%
Trend (Total of 'effective' responses 2013/14 compared with 2012/13)						<b>+1.8</b>

<b>Q2: How could we improve the Overview and Scrutiny Committee Structure further?</b>	
Tell people about it and what you do	Officer
Whilst there will always be fresh items of business, e.g. dealing with call-in requests, I still feel the Committee is trying to do too much; and, at times, diverts its attention away from its agreed work programme on to single issue items of business. Just as the Council has narrowed its priorities to better align with the financial and officer resources available, the Committee might wish to consider doing likewise.	Officer
Not sure I have enough knowledge to say how to improve it.	Officer
Understand what the role is and what decisions are made by the committee	Officer
Many staff are not aware of the important role that Scrutiny undertake and have little contact with members of the Committee.	Officer
This comment is not really about the structure as such but I feel it would improve the whole scrutiny experience. By encouraging all members to take a more positive and pro-active role in the scrutiny process. There are still complaints now and again that back bench members aren't informed about things etc - if they became more involved with scrutiny they would not only be informed but also be able to have some input into policies, strategies and courses of action before the final decision is made.	Other Member
I have been on scrutiny so don't know	Other Member
Better communication	Other Member
The very close relationship between Executive and Scrutiny undermines the scrutiny process. Some members of scrutiny do not say anything in the presence of members of the executive. They don't even ask questions and yet they are expected to take part in scrutiny.	Scrutiny Member

Can think of no improvements at the moment but, as always, we will seek to improve.	Scrutiny Member
Support for admin needs to be firmed up especially as there have been changes in Democratic Services. Also more Councillors need to be involved in the Groups. I think that a cabinet member not attached to the issue under Scrutiny could take part as we have Asst Execs as well as excess so reducing available pool.	Scrutiny Member

<b>Q3: How useful has the introduction of scrutiny link officers been?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Very useful	10	22.7%	14.3%	33.3%	8.3%	21.7%
Useful	16	36.4%	57.1%	66.7%	50.0%	30.4%
Neither	6	13.6%	14.3%	0.0%	0.0%	4.3%
Not very useful	0	0.0%	14.3%	0.0%	4.2%	4.3%
Not useful at all	0	0.0%	0.0%	0.0%	0.0%	0.0%
Don't know	12	27.3%	0.0%	0.0%	37.5%	39.1%
Trend (Total of 'useful' responses 2013/14 compared with 2012/13)						+7%

<b>Q4: How could we improve the Overview and Scrutiny Committee Structure further?</b>	
More involvement at team meetings etc	Officer
Tell people what you do	Officer
I haven't encountered the function so difficult to make suggestions.	Officer
Who are the scrutiny link officers?	Officer
If I am very honest I probably don't pay enough attention to scrutiny, having a number of other interests to juggle (chair of planning committee, ward member - where my two colleagues are currently indisposed on medical grounds (so I am doing all the casework), Member of County council for another area, vice chair of Audit at the county and member of the fire authority. Unless scrutiny directly impacts on these areas if I am honest I can't see me taking an active role in the near future.	Other Member
Seems to be little enthusiasm from some of the officers but this is improving meeting by meeting. Meetings are now to be held less often so may improve the quality of the ones we do hold.	Scrutiny Member

<b>Q5: How effective are the informal scrutiny pre-agenda meetings?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Very effective	1	2.3%	14.3%	0.0%	0.0%	4.5%
Effective	16	37.2%	28.6%	50.0%	37.5%	40.9%
Neither	6	14.0%	28.6%	0.0%	16.7%	13.6%
Not very effective	1	2.3%	14.3%	0.0%	0.0%	4.5%
Not effective at all	0	0.0%	0.0%	0.0%	0.0%	0.0%
Don't know	19	44.2%	14.3%	50.0%	45.8%	36.4%
Trend (Total of 'effective' responses 2013/14 compared with 2012/13)						-5.9%

<b>Q6: How could we improve pre-agenda meetings?</b>	
Not attended any meetings, so difficult to comment. But, I understand that they're effective.	Officer
Could be better used / attended by officers / members bringing reports forward. Perhaps better promotion would help.	Officer
I'm not aware of the scrutiny process, so unsure of the benefits of the pre agenda meetings	Officer
Effective but time consuming	Officer
Without detracting from the informality sometimes they could do with a bit more focus.	Other Member
I haven't attended one personally but I believe they are effective at least from what officers have said. Scrutiny members and those attending to address the committee all appear to be more at ease and working from the same hymn sheet!	Other Member
This is a difficult one. Feel that pre agenda meetings are a great idea, but I am never sure when they take place. Perhaps if the meetings better flagged up it would be useful.	Scrutiny Member
Not always necessary to have one, but we have had very good meetings when they have taken place. Up to date information not always available as early as needed, but this is because officers want scrutiny to have the most relevant data at the meeting.	Scrutiny Member

<b>Q7: Has the scoping of scrutiny reviews improved over the last 12 months?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Improved a lot	3	6.8%	14.3%	20.0%	0.0%	4.3%
Improved	15	34.1%	42.9%	40.0%	29.2%	30.4%
Stayed the same	8	18.2%	42.9%	0.0%	16.7%	26.1%
Got worse	0	0.0%	0.0%	0.0%	0.0%	4.3%
Don't know	18	40.9%	0.0%	40.0%	54.2%	34.8
Trend (Total of 'improved' responses 2013/14 compared with 2012/13)						+6.2%

<b>Q8: What could we do to improve the scoping of scrutiny review further?</b>	
I think this activity has improved. But, I would encourage the Committee to draw more on the officer resources of the Council to help scope future reviews. There are occasions where a particular path has been followed, which could have been closed down earlier if advice from officers had been sought.	Officer
Consult relevant service head / manager and relevant portfolio holder for comment.	Officer
I don't have access to the reviews	Officer
Panel chairs do not always have the skills to undertake the scoping and yet there are no resources they can draw on. This is a deterrent for people who want to volunteer to chair panels.	Scrutiny Member
The tools we use for the report are a bit difficult to get ones head round especially if one has used other project planning and reporting tools	Scrutiny Member

<b>Q9: What else could we do to improve the operation and outcomes of scrutiny reviews?</b>	
Publish reviews	Officer
We need to make the right appointments to the new roles that have been created within Democratic services to help support the scrutiny review panels with their research, report writing etc.	Officer
More pre planning with key Officers involved in the review	Officer
Consult relevant manager / portfolio holder on final draft scrutiny project report so comments can be considered by the Project Group before they finalise the report. Ensure there is a written report back from Cabinet with a decision on scrutiny recommendations so it is clear when recommendations have been approved or refused and the impact of scrutiny can be clearly measured.	Officer
Don't know sorry!	Officer
Not sure	Officer
I think care needs to be taken in capturing contributions and ensuring they are timely in terms of policy development.	Other Member
Involve relevant (cabinet) members and officers from the beginning and also keep them informed etc. Of the 2 scrutiny reviews I can think of that had some involvement with my portfolio, the first I wasn't even aware of until being asked to attend scrutiny committee where it was getting a final reading, the 2nd I knew little about even when I attended one of the review meetings!	Other Member
I am not aware of what goes on in scrutiny as I am not on the committee and never have been	Other Member
Better sharing of findings	Other Member
Don't know	Other Member
Encourage proper discussions rather than party political charade. I think some members of scrutiny do not seem to know the difference between scrutiny and political jousting. Each member of scrutiny should be afforded even when you don't agree with their view. Having two chairs is not at all effective as their different styles of chairing increase inconsistencies. I have every respect for one even when I disagree but have no consideration to the other who seems to think all members of scrutiny from other parties are enemies just because they don't tow the line.	Scrutiny Member
I believe a number of scrutiny members find scrutiny confusing, I think some 'inset' sessions would help to remove some of confusion in our attempts to scrutinise council policy.	Scrutiny Member
Ensure they are carried out to the agreed date where possible and also ensure the scoping is agreed before ANY action is taken	Scrutiny Member
I think it needs a bit more time for us to see the groups work under the new scheme as it is early days yet. I think Officers still need to understand the new way of working as some still appear to think we are being critical after the event	Scrutiny Member
Secretarial assistance	Scrutiny Member



<b>Q10: Has the resource support for scrutiny and scrutiny reviews improved over the last 12 months?</b>						
	<b>2013/2014</b>					<b>2012/13</b>
	<b>All Respondents</b>		<b>Scrutiny Member</b>	<b>Other Member</b>	<b>Officer</b>	<b>All Respondents</b>
	<b>No</b>	<b>%</b>				
Improved a lot	3	7%	14.3%	20.0%	0.0%	0.0%
Improved	9	21%	42.9%	10.0%	16.7%	17.4%
Stayed the same	8	18%	14.3%	10.0%	20.8%	43.5%
Got worse	2	5%	28.6%	0.0%	0.0%	4.3%
Don't know	22	50%	0.0%	60.0%	62.5%	34.8%
Trend (Total of 'improved' responses 2013/14 compared with 2012/13)						<b>+10.6%</b>

<b>Q11: How could we improve the resourcing for scrutiny and scrutiny reviews?</b>	
Ensure Scrutiny Project Group Leads complete and submit the relevant Resource Request Form to the Policy and Scrutiny Officer / Scrutiny Chair	Officer
what are the current arrangements for scrutiny support	Officer
Still no admin support.	Scrutiny Member
If anything it has decreased at a time when scrutiny is taking on more and more work. The resources identified in the review that lead to the new structure have not materialised. Panels have no resources to support them and it seems that the scrutiny officer feels her support is to the forum chairs.	Scrutiny Member

<b>Q12: To what extent have new constitutional scrutiny procedure rules and informal protocols improved?</b>						
	<b>2013/2014</b>					<b>2012/13</b>
	<b>All Respondents</b>		<b>Scrutiny Member</b>	<b>Other Member</b>	<b>Officer</b>	<b>All Respondents</b>
	<b>No</b>	<b>%</b>				
Improved a lot	3	6.8%	0.0%	10.0%	4.2%	13.0%
Improved	19	43.2%	71.4%	60.0%	29.2%	26.1%
Stayed the same	5	11.4%	14.3%	0.0%	16.7%	13.0%
Got worse	0	0.0%	0.0%	0.0%	0.0%	4.3%
Don't know	17	38.6%	14.3%	30.0%	50.0%	43.5%
Trend (Total of 'improved' responses 2013/14 compared with 2012/13)						<b>+10.9</b>

<b>Q13: How could we improve the procedures and protocols further?</b>	
It has been useful to have the communications but as i haven't been through the process for a while it's hard to say how to improve.	Officer
Scrutiny seems to have upped its profile and was impressed by the public consultation at assemblies	Other Member

**Q14: How useful have induction/follow up learning sessions for members and officers been during the last 12 months?**

	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Very useful	2	4.8%	0.0%	22.2%	0.0%	4.5%
Useful	15	35.7%	71.4%	33.3%	25.0%	50%
Neither	3	7.1%	14.3%	0.0%	8.3%	9.1%
Not very useful	1	2.4%	0.0%	0.0%	4.2%	0.0%
Not useful at all	0	0.0%	0.0%	0.0%	0.0%	0.0%
Don't know/have not attended	21	50.0%	14.3%	44.4%	62.5%	36.4%
Trend (Total of 'useful' responses 2013/14 compared with 2012/13)						-14%

**Q15: How could we improve the procedures and protocols further?**

More inset required	Scrutiny Member
The members who attend seem happy, but not very well attended. It has been suggested that we have them later, but this would mean a special meeting held separately from the forum. This may not be popular either.	Scrutiny Member

**Q16: Are you aware of any scrutiny project group reviews being reported to full Council over the last 12 months? (This does not include the Scrutiny Annual Report)**

	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Yes	17	40.5%	28.6%	66.7%	37.5%	61.1%
No	25	59.5%	71.4%	33.3%	62.5%	38.9%
Trend ('yes' responses 2013/14 compared with 2012/13)						-20.6%

**Q17: What scrutiny project group reviews do you think should have been reported to full council during the last 12 months?**

New proposed leisure centre at Queen's Park	Officer
The outcomes of a number of reviews have been reported at Cabinet, on the basis that this is the appropriate decision-making body pertaining to the subject matter(s) under review. I can't think of any reviews that should have been reported to full Council during the past 12 months.	Officer
New QPSC	Officer
All scrutiny project reviews report to Cabinet and the minutes of all Cabinet meetings are considered by full Council. Therefore full Council is aware of all scrutiny project reviews that have reported to Cabinet	Other Member
I could be wrong but I think all the scrutiny reviews were reported to cabinet. Perhaps it would be a good idea to report all scrutiny reviews to full council first, if the recommendations are something that cabinet has to make the decision about full council can always refer it to cabinet. By reporting to council first, all members will hear the details etc and would get an opportunity to ask questions - whether to the scrutiny lead or a cabinet member, perhaps both - and discuss etc	Other Member

<b>Q18: Has your awareness of the forward plan, key decisions and their importance improved over the last 12 months?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
A great deal	8	18.6%	14.3%	22.2%	16.7%	31.8%
To some extent	19	44.2%	57.1%	44.4%	45.8%	54.5%
No	11	25.6%	28.6%	11.1%	29.2%	9.1%
Don't know	5	11.6%	0.0%	22.2%	8.3%	4.5%
Trend (Total 'yes' responses 2013/14 compared with 2012/13)						-23.5%

<b>Q19: How could we further raise the profile of the forward plan and its importance?</b>	
As I'm working with the Forward Plan every week, I'm very much aware of it. It might be worth publishing through social media (Facebook, Twitter) advance notice of up and coming key decisions.	Officer
Given my position I was fully aware of them before An article in Borough Bulletin, info on intranet	Officer
Ensure each entry in the Forward Plan clearly outlines what the matter is about.	Officer
By encouraging members, particularly, members of Scrutiny Committees to read it. Maybe whenever the forward plan is updated all Members could automatically be sent an e mail that includes a link to the updated forward plan.	Other Member
Discussion at assemblies - I attend 3 of the 4.	Other Member
I have always used forward plan effectively in the last 5 years.	Scrutiny Member

<b>Q20: Do you agree that the scrutiny and executive working relationship involving members and officers throughout the organisation has improved over the last 12 months?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Strongly agree	8	18.6%	14.3%	33.3%	16.7%	28.6%
Tend to agree	18	41.9%	42.9%	66.7%	29.2%	38.1%
Neither	6	14.0%	28.6%	0.0%	16.7%	19%
Tend to disagree	0	0.0%	0.0%	0.0%	0.0%	0
Strongly disagree	1	2.3%	14.3%	0.0%	0.0%	0
Don't know	10	23.3%	0.0%	0.0%	37.5%	14.3%
Trend (Total 'agree' responses 2013/14 compared with 2012/13)						-6.2%

<b>Q21: Please give reasons for your answer:</b>	
I can't really talk from personal experience, as I've only been on a couple of occasions. But, I sense from talking to Executive members and officer colleagues that relationships are much improved.	Officer
The Link Officers meeting has been instrumental in this	Officer
Much more pro-active working and informal communication taking place between officers and members around scrutiny and scrutiny work.	Officer
As a member of cabinet I have benefitted from invites to and information from	Other

scrutiny.	Member
The periodic informal discussions between the Scrutiny Chairs and Executive Members have started and seem to be working satisfactorily. In addition, Executive Members are now attending brief sessions with Scrutiny Members before the start of Scrutiny Forum meetings to update them on progress with Great Place Great Service.	Other Member
I am a Cabinet member rather than a scrutiny member - from my perspective (as a former scrutiny member and now a cabinet member) the scrutiny / executive relationship is improving constantly. 3 years ago I don't think there was a relationship between the two - it was frustrating as a scrutiny member to be presented with a document, make valid comments and suggestions that meant nothing as the document had already been signed off - scrutiny had no input! As far as I can I always ask for things to go to scrutiny before sign off. Scrutiny members may have a different view to this!	Other Member
higher profile	Other Member
Refer to previous remarks. Closer relationship leading to worse outcomes in my opinion.	Scrutiny Member

<b>Q22: Do you support the continuation of bi-monthly informal meetings between the Chair, Vice Chair and Cabinet Portfolio members?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Yes	24	54.5%	57.1%	60.0%	50.0%	59.1%
No	1	2.3%	14.3%	0.0%	0.0%	9.1%
Don't know	19	43.2%	28.6%	40.0%	50.0%	31.8%
Trend ('Yes' responses 2013/14 compared with 2012/13)						-4.6

<b>Q23: Please give reasons for your answer:</b>	
Did not know that happened	Officer
Ensure joined up thinking between Scrutiny chairs and Exec members	Officer
Provides opportunity for informal conversations about scrutiny outside of the public arena.	Officer
what are the benefits of these meetings?	Officer
We live in challenging times where difficult decisions have to be made. Scrutiny becomes very important in these circumstances.	Other Member
How else can the Chair and Vice Chair be kept informed about current developments and what will be coming up over the horizon in relation to the portfolio holder's portfolio. Nothing beats regular face to face discussions.	Other Member
I haven't been to one as yet, I haven't felt the need to. However, if there was something I wanted to discuss with the scrutiny chairs I would contact them anyway. In addition, I do try to ensure all new projects etc in my portfolio are taken to scrutiny in one form or another - for example, the relevant officer may just have an informal meeting with the chairs, who can then decide whether a committee should get involved etc.	Other Member
Too often once a month should be sufficient	Other Member
Not aware of such meetings	Scrutiny Member

Scrutiny should be careful about seeing to collude with Lead Members. This is hierarchical and not democratic	Scrutiny Member
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<b>Q24: Have you experienced any barriers or difficulties under the new scrutiny arrangements?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Yes	4	9.30%	28.6%	20.0%	0.0%	N/A
No	27	62.80%	57.1%	50.0%	70.8%	N/A
Don't know	12	27.90%	14.3%	30.0%	29.2%	N/A

<b>Q25: If yes, what are the barriers and how could we reduce them?</b>	
I believe that Scrutiny needs to become more flexible in terms of arranging dates, times and venues for both committee meetings and informal meetings with Executive Members, to make more use of the telephone for ascertaining availabilities and to make more use of the Microsoft Calendar system for issuing invitations to meetings.	Other Member
Sometimes lack of notice. Once a lack of invite to a relevant scrutiny meeting.	Other Member
The issue of cutting across other formal processes such as planning	Scrutiny Member
There is a lot of antagonism towards members of the main opposition and this has 2 effects: - their views are quickly disregarded if they are not shouted down - some opposition members no longer contribute as they see the process as a waste of time.	Scrutiny Member

<b>Q26: Thinking about your overall experience of scrutiny over the last 12 months, do you think scrutiny has improved?</b>						
	2013/2014					2012/13
	All Respondents		Scrutiny Member	Other Member	Officer	All Respondents
	No	%				
Improved a lot	7	16.3%	14.3%	20.0%	12.5%	26.1%
Improved	18	41.9%	57.1%	70.0%	29.2%	21.7%
Stayed the same	4	9.3%	14.3%	0.0%	12.5%	26.1%
Got worse	1	2.3%	14.3%	0.0%	0.0%	0.0%
Don't know	13	30.2%	0.0%	10.0%	45.8%	26.1%
Trend (Total 'improved' responses 2013/14 compared with 2012/13)						+10.4

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<b>Project Name:</b>	Overview and Scrutiny Review
<b>Date of report:</b>	1 <sup>st</sup> September 2014
<b>Author:</b>	Donna Reddish – Policy Manager
<b>Sponsor:</b>	Huw Bowen – Chief Executive

## 1.0 Background

- 1.1 During 2011 an external review by the Institute of Local Government Studies (INLOGOV) was completed on the Overview and Scrutiny function at Chesterfield Borough Council.
- 1.2 Since the 2011 review there have also been significant changes in the officer resource and direction due to major restructures in the Governance and Policy Services.
- 1.3 Members and Officers would now like to revisit the findings of the review and subsequent recommendations taken forward to assess whether or not these arrangements are still appropriate and working as envisaged. This will include a light touch review of officer resources available.

## 2.0 Project Objectives

- 2.1 To complete an internal review of the Overview and Scrutiny function and resources by January 2015.
- 2.2 That the review is used to develop proposals to further improve the Overview and Scrutiny function and to take account of any new and emerging responsibilities.
- 2.3 That the Overview and Scrutiny function is able to utilise an adaptable and flexible officer resource in order to meet its mandatory functions and priority areas.

## 3.0 Desired Outcome

- 3.1 A fit for purpose Overview and Scrutiny function, able to adapt to changing priorities and responsibilities.

## 4.0 Scope

### 4.1 In scope –

- Overview and Scrutiny Structure
- Policies, Procedures and documents
- Overview and Scrutiny Work Programme
- Officer resource
- Awareness and engagement

## 5.0 Constraints and Assumptions

5.1 Overview and Scrutiny had previously been recognised as under-resourced. The 2013/14 Governance restructure increased the level of employee resource significantly by introducing the Scrutiny and Committee Co-ordinator roles. Due to current and future financial challenges additional financial and employee resources are unlikely to be available. Review recommendations must be achievable via existing resource allocations.

## 6.0 Consequences

- 6.1 The review will potentially make recommendations for changes to the way the function is delivered; this could affect existing post holders as job roles may change.
- 6.2 The review may highlight that the function has an upper capacity limit on its ability to deliver an effective Overview and Scrutiny function this may require a realignment of priorities.

## 7.0 Tolerance

7.1 The review should be completed in February 2015 to enable any changes to be implemented early in the 2015/16 financial year.

## 8.0 Stakeholders

8.1 Current *Stakeholders for this project include:-*

- Overview and Scrutiny Chairs
- Overview and Scrutiny Elected Members
- Executive Members
- The Corporate Management Team and key officers
- The Officer Resource including Policy and Scrutiny Officer and Committee and Scrutiny Co-ordinators



## 9.0 Interfaces

- 9.1 This project is linked to all Council functions, services and governance structures.

## 10.0 Project Approach

- 10.1 This project will be delivered by means of a light touch internal review focusing on the in-scope areas listed at 4.1. The review will be followed by a report with improvements proposals to Overview and Performance Scrutiny Committee and Cabinet (possibly Joint Cabinet and Employment Committee).
- 10.2 The key stages of the review will be as follows:

### Baseline and Vision

1. To engage with appropriate stakeholders to identify Chesterfield Borough Council's vision for a fit for purpose Overview and Scrutiny function.
2. To engage with appropriate stakeholders to identify opinions/views on current Overview and Scrutiny arrangements.
3. To identify any significant changes that have occurred to functions, responsibilities and resources since the 2011 review which now need to be considered in future arrangements.

### Challenge

To use the data gathered in the baseline stage to challenge current Overview and Scrutiny arrangements and work programme. This will include gap analysis of the Council's vision for Overview and Scrutiny against the current position.

### Develop Options/Recommendations

To develop options and/or recommendations to ensure that the Overview and Scrutiny is fit for purpose and able to adapt and respond to emerging challenges.

This step may include some external challenge from an appropriate critical friend for example the Centre for Public Scrutiny or the Institute of Local Government Studies.

## 11.0 Next Steps

- 11.1 To hold and project Commissioning meeting with key stakeholders including the Chairs and Vice Chairs of Overview and Scrutiny, The Executive Member for Governance and Organisational Behaviour, the Chief Executive, Policy Manager and Policy and Scrutiny Officer. This meeting will confirm the project brief, the governance arrangements and review timescales.
- 11.2 To develop a work programme and timetable for stage 1(Baseline and Vision) of the review.

## **FOR PUBLICATION**

### **COMMUNITY ENGAGEMENT STRATEGY 2014-2017 (S320R)**

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MEETING:	COUNCIL
DATE:	15/10/2014
REPORT BY:	POLICY OFFICER
WARD:	ALL
COMMUNITY ASSEMBLIES:	ALL

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FOR PUBLICATION

BACKGROUND PAPERS FOR PUBLIC REPORTS: None

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#### 1.0 **PURPOSE OF REPORT**

1.1 To present for approval the Council's Community Engagement Strategy 2014-2017.

#### 2.0 **RECOMMENDATIONS**

2.1 That the Community Engagement Strategy 2014-2017 be approved, and published.

#### 3.0 **BACKGROUND**

3.1 Chesterfield Borough Council first produced a Community Engagement Strategy (formally known as the Public Participation Strategy) in 2000, the strategy has since been reviewed in 2003 and 2009. Over the years there have been considerable changes in legislative requirements and expectations on local authorities for community engagement and participation. The strategy has been updated for 2014-2017 in accordance with current community engagement legislation including: the Equalities Act (Public Sector Equality Duty, 2010), Best Value Guidance (Duty to Consult), and Consultation Principles Guidance (2013).

- 3.2 The Consultation Principles Guidance (2013) replaces the Code of Practice on Consultation issued in July 2008. The governing principle is proportionality of the type and scale of consultation to the potential impacts of the proposal or decision being taken, and on achieving real engagement rather than merely following bureaucratic process. Consultation forms part of wider engagement and decisions on whether and how to consult should in part depend on the wider scheme of engagement. Guidance on consultation subjects, timing, accessibility, transparency and practical considerations has been incorporated into the Strategy.
- 3.3 The report was considered by Cabinet at its meeting on 23 September and it was resolved that the Community Engagement Strategy 2014-2017 be referred to Council for approval. [Cabinet Minute No. 89]

#### 4.0 **COMMUNITY ENGAGEMENT STRATEGY**

- 4.1 The Community Engagement Strategy (Appendix A) aims to provide a framework for the Council's community engagement activity and policy, including a set of standards. It also aims to improve the quality and accessibility of engagement opportunities for residents and the business community in the borough along with visitors.
- 4.2 The Council's Community Engagement Group, which includes elected members and officers from a range of different services, will be responsible for overseeing the development and implementation of the strategy. The group will produce an annual review of Community Engagement activity.
- 4.3 As part of the service planning process community engagement needs and opportunities for 2014/15 will be identified by services. These will be reviewed by the Community Engagement Group to ensure that resources are used effectively and duplication avoided.

#### 5.0 **CONSIDERATIONS**

- 5.1 Risk Management - This work concerns the implementation of statutory and good practice performance requirements. All relevant documents and reports have to be published and available for public scrutiny.
- 5.2 Equalities – a Preliminary Equality Impact Assessment has been undertaken and no negative impacts are identified in relation to this strategy. The strategy includes provisions for meeting the Equality Act (Public Sector Equality Duty), breaking down data for protected equality groups, and ensuring equal access to community engagement for all protected groups.

It is not anticipated that there will be a disproportionate impact on any protected group.

6.0 **RECOMMENDATIONS**

6.1 That the Community Engagement Strategy 2014-2017 be approved, and published.

7.0 **REASON FOR RECOMMENDATIONS**

7.1 To respond to relevant legislation and provide a corporate framework for community engagement activity across the Council.

K.MARSHALL  
POLICY OFFICER

Further information on this matter can be obtained from Katy Marshall (Extension 5247).

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Chesterfield Borough Council  
**Community Engagement  
Strategy**  
2014 - 2017



*Putting our communities first*



## ARE WE ACCESSIBLE TO YOU?

If not, ask us

- ✓ We want everyone to be able to understand us.
- ✓ We want everyone to be able to read our written materials.
- ✓ We aim to provide what you need for you to read, talk, and write to us.

### **On request we will provide free:**

- ✓ Language interpreters, including for British Sign Language.
- ✓ Translations of written materials into other languages.
- ✓ Materials in braille, large print, on tape, in Easy Read.

### **Please contact us:**

Telephone: 01246 345247

Fax: 01246 345252

Text: 07960 910264

Email: [enquiries@chesterfield.gov.uk](mailto:enquiries@chesterfield.gov.uk)



## **INTRODUCTION FROM COUNCILLOR SHARON BLANK, EXECUTIVE MEMBER FOR CUSTOMERS AND COMMUNITIES**

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Welcome to Chesterfield Borough Council's Community Engagement Strategy 2014-2017. This Strategy brings together Chesterfield Borough Council's community engagement activities into one overarching framework for the Borough to better coordinate how we engage with our customers and communities.

The Strategy incorporates our community engagement standards including guidance on consultation subjects, timing, accessibility, transparency, and other practical considerations such as choosing the appropriate type of engagement and tools.

The Community Engagement Strategy recognises the diversity of our communities and the need to provide appropriate opportunities for customers and communities to participate and influence service delivery, decision making and policy development.

### **OUR AIM**

---

The aim of the Community Engagement Strategy is to coordinate how we engage with our customers and communities based on our belief that:

- All communities should be given the opportunity to be involved in the decisions that affect them
- All communities deserve good quality services, shaped around their needs.
- Borough Council policies and strategies should reflect local priorities, requirements and aspirations.

### **WHY IS COMMUNITY ENGAGEMENT ESSENTIAL?**

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Community engagement is essential to support strong, active and inclusive communities. We need to understand the needs and aspirations of our local communities and listen and respond to local people. By developing and sustaining working relationships between public bodies, community groups and the wider community we can address the needs and issues experienced by particular communities. Community engagement is both the process and the result of working together to ensure the whole population influences the decision-making processes that affect their lives. Although the process is resource intensive (particularly in officer time) the benefits are innumerable.

Community engagement contributes to:

- Empowering local people to have control over their lives and help shape policies and services affecting them.
- Reducing inequalities and closing the gap between the most and least deprived areas of the Borough.
- Ensuring that services meet the needs of service users and that resources are used both efficiently and along agreed priorities.

- Ensuring that people understand the conflicting demands made on resources and priority setting and to help them develop their role in contributing to community well being.
- The promotion of engagement in local democracy not just electorally but also participatory
- Meeting statutory duties including those laid down by central Government such as the Equalities Act (Public Sector Equality Duty), Best Value Guidance (Duty to Consult), and Consultation Principles.

## **OUR COMMUNITY ENGAGEMENT STANDARDS**

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These service standards are a set of guiding principles that inform the way we carry out our community engagement activities. They incorporate the updated Consultation Principles Guidance (2013) which replaced the Code of Practice on Consultation (2008).

By ensuring that we adhere to these standards, we will support the Council's commitment to achieving high-level equalities standards. We have developed particular standards for some service areas including the Customer Involvement Agreement for Borough Council Tenants and in Planning Services, the Statement of Community Involvement. These are both available on our website [www.chesterfield.gov.uk](http://www.chesterfield.gov.uk).

### **1. Our approach to consultation**

#### **Where specific standards are not in place, we will:**

- Ensure that the objectives of any consultation are clear eg. to gather new ideas or test options.
- Only use community engagement and consultation processes when there is a real opportunity for people to influence and change decisions and services, and be honest where decisions are non-negotiable.
- Ensure that we always consult when there is a statutory requirement to do so, and where it is good practice to do so.
- Ensure that community engagement activities are realistic and that expectations are not raised unnecessarily or unrealistically.
- Provide leadership from Senior Management to ensure that community engagement influences services and plans.

### **2. When we will consult**

#### **We will:**

- Coordinate community engagement activities at the council and with partners, to avoid duplication and 'consultation fatigue'
- Begin engagement early in policy development when the policy is still under consideration and views can genuinely be taken into account.
- Make sure that timeframes for consultation are appropriate to the nature and impact of the proposal (eg, the range of interested parties or complexity of the issue). Timescales may vary between two and 12 weeks.
- Establish the timing and length of consultations on a case-by-case basis and make sure they are realistic to allow stakeholders sufficient time to provide a considered response.
- Avoid consulting during holiday periods, where possible, and if not, make allowances within the timeframe.
- Avoid consultation exercises during the six-week period before local or national election periods.

### **3. How we will consult**

#### **We will:**

- Consider the most appropriate type of engagement for each circumstance (see community engagement tools below). The type and scale of consultation will be appropriate to the potential impacts of the proposal.
- Ensure that the consultation captures the full range of stakeholders affected.
- Provide information in an easily understandable format, using plain language and clarifying the key issues.
- Ensure that we take into account particular needs and work together to overcome where possible any difficulties participants may have to enable them to fully participate in the activity.
- Ensure that, where appropriate, equalities monitoring takes place, and that survey data is broken down into 'protected groups' (eg. age, disability, gender etc). This will enable us to ensure that our services are fair and accessible to all groups. (The Policy Unit will give guidance on when equality monitoring is appropriate).
- Ensure that participation is voluntary, and that reasonable expenses will be reimbursed to ensure no one is excluded for financial reasons and that participants can withdraw at any time.
- Ensure that the rights and dignity of all participants are respected at all times, and give careful consideration to activities, information and questions to ensure that they do not offend, cause distress or embarrassment.
- Treat information confidentially, with particular regard to the Data Protection and Freedom of Information Acts.
- Ensure adherence to health and safety regulations.

### **4. How we will feed back and be transparent**

#### **We will:**

- Be open and transparent about the aims of community engagement activity and what stage of development the policy or proposal has reached.
- Be clear about what aspects of the policy or proposal being consulted on are open to change and what decisions have already been taken
- Ensure participants know what they are agreeing to take part in and how the information will be used.
- Make sufficient information available to stakeholders to enable them to make informed comments.
- Ensure that information obtained from community engagement activities is honestly interpreted, and enable participants to be part of the analysis process if they wish to.
- Publish consultation responses, including number of responses, and how they have been used within 12 weeks of the end of the consultation. If this is not possible, a public statement should explain why.
- Have clear processes to feed back on community engagement activity and outcomes and give reasons if unable to deliver on expectations in a timely manner and appropriate manner.

## **WHAT WE UNDERSTAND TO BE A COMMUNITY**

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A community is a group of people who share something in common. They can be:

- People living or working within a defined geographical area (for example a ward, neighbourhood or street) and/or
- People who share a particular identity or interest (for example people of a similar age, who have a disability, practice the same faith or are students) or are linked by a common issue (for example housing needs or specific project such as a park)

## **WHAT WE UNDERSTAND TO BE A STAKEHOLDER**

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Stakeholders are:

- The people or organisations that are affected by our policies and proposals
- The people or organisations that have an interest in its successful or unsuccessful conclusion.
- The people or organisations that have influence or power over our policies and proposals

The Council facilitates a number of established stakeholder groups, for example, Community Assemblies and the Equality and Diversity Forum.

## **PLANNING COMMUNITY ENGAGEMENT**

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Before any community engagement activity is undertaken within the Borough all those responsible for conducting the engagement must plan their activities, and complete a 'proposal to engage'. This is to reduce the amount of over consultation and engagement fatigue. The minimum level of research that should be undertaken covers:

1. Has this activity been undertaken before? Who with? What was the purpose of the original activity? Are the results of the activity available? Are the results of the original activity still relevant and recent? Can these results be used rather than repeating the engagement exercise? Look at findings from previous engagement and research. We can access data and community engagement methodologies from a range of organisations.
2. Is anyone else planning an engagement event that could be combined? Review the calendar of engagement events and activities which highlights all the Council's consultation and engagement events with employees and the community.
3. If a new engagement exercise is needed then who should be included? Have all the potential communities affected by the service or decision been considered?
4. Have all the types of engagement described in the next pages been fully considered and a full range of engagement tools explored to maximise inclusion?

5. Is there a legal duty to engage, and if so, are particular methods, timescales and stakeholders identified?
6. What resources are available?

## **TYPES OF ENGAGEMENT**

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In order to improve the quality of community engagement within the Borough, we recognise different ways by which people can influence decision making. There are a number of types of community engagement, including:

**Information giving:** Communities are provided with information on public services, including how to access them, their performance, future changes, and progress on issues affecting them. Input from the community only occurs if an individual chooses to contact the organisation.







**Community consultation:** A process of dialogue that leads to a decision where the views of a community should be taken into account. Decision makers ensure they have taken into account all views and information before reaching a decision.

**Community involvement:** People are involved in the design and development of community activities and services in cooperation with organisations. People who use services have a say in decisions about the purchasing, provision and monitoring of services. This requires more input from the community as people will need to play an active role within the decision-making process.

**Devolved responsibility:** Like community involvement but also includes a responsibility for the community to deliver the activities, actions and services agreed by the decision-makers. This requires the greatest amount of community input.

## CBC COMMUNITY ENGAGEMENT TOOLS

The following community engagement tools and methodologies are used:

<p><b>1. Opinion Meter</b></p> 	<p>The opinion meter is a free-standing touch screen electronic device for simple, short questionnaires and polls. It can be used in a variety of public locations but is particularly successful in reception areas, and for younger audiences.</p>
<p><b>2. Activote</b></p> 	<p>Activote is an electronic voting system. There are a number of ways in which we use this voting software including Community Assemblies voting, team meetings, away days, staff training, public meetings, focus groups, budget and priority setting meetings etc.</p> <p>When Activote is used, attendees are asked questions via an electronic presentation. Each attendee is given a hand-held voting device to respond to the questions, and feedback is given instantly. Responses can be anonymous.</p>
<p><b>3. Electronic Surveys</b></p> 	<p>In 2012/13 we invested in the highly efficient survey data, data capture and analysis tool, SNAP. This software can be used to produce online questionnaires suitable for a variety of stakeholders. Web surveys are hosted on an external server and can be developed for use with PCs, laptops, tablets and Smart phones.</p>
<p><b>4. Paper Surveys</b></p> 	<p>SNAP is also used to create paper surveys which can then be scanned for automatic data capture. The same survey can be produced in a number of different formats (eg, paper, web) with all of the responses collated together for analysis.</p>
<p><b>5. Focus Group and Informal Meetings</b></p> 	<p>Representatives from a range of services are trained in focus group facilitation. Focus groups, workshops and informal meetings are used with employees, partners and the wider public where qualitative information is gathered in an interactive session.</p>
<p><b>6. Mobile Housing Office</b></p> 	<p>The mobile office is used to engage with tenants and residents locally. The mobile office enables us to consult flexibly and can be quickly deployed to speak to people about current issues on estates.</p>

## 7. Other 2 way communications



There are a range of other ways that the public can take part in two-way communication and engagement with the Council, including: the CBC website, online petitions, using the Council's CCCs system (Comments, Complaints, Compliments and Enquiries), via social media and other apps.

## COMMUNITY ASSEMBLIES

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The Community Assemblies were launched in 2013/14 as a new community development and engagement programme. The Community Assembly approach is a move away from a traditional meeting-focused forum to a year round engagement and development programme linked to existing and emerging structures. There are four Community Assemblies in Chesterfield Borough: North, South, East and West.

Each Community Assembly area is allocated funds to support small local projects through its 'Minor Grant' scheme. In addition, the Community Chest funds projects that contribute to the Community Assembly Action Plan priorities that have been developed by participants.

## ENGAGEMENT WITH SCRUTINY AND THE DECISION MAKING PROCESS

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The Council has three Overview and Scrutiny Committees made up of the Council's Elected Councillors. The Overview and Scrutiny function has a strong community leadership role to act in the interests of the Chesterfield community. Through their scrutiny role, Scrutiny Committee Councillors will help ensure the Council makes the best decisions it can for local people. The role involves scrutiny councillors engaging with our communities to help ensure views and concerns can be represented as part of the decision making process.

Our Overview and Scrutiny Committees develop and work to adopted work programmes and where possible try to involve communities directly to provide local people with the opportunity to influence the Council's scrutiny work.

## CUSTOMER INVOLVEMENT AGREEMENT FOR TENANTS

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Chesterfield Borough Council's Housing Service is committed to customer involvement. Customers are at the heart of all services and integral to decision making. It is only through customers' input, views, challenge and support that we can continue to develop and improve services.

### **Where appropriate, tenants are consulted on:**

- Any decision we make which will affect homes or neighbourhoods
- How we monitor services and improvement plans
- How our services can be improved
- Estate improvement projects



There are a range of ways for all of our customers to get involved at a level that is comfortable and convenient to them. Our Customer Involvement Agreement describes the ways that customers can influence, shape and scrutinise Housing Services and how we will support customers to get involved.

## **WHO IS RESPONSIBLE FOR THE COMMUNITY ENGAGEMENT STRATEGY?**

The Council's Community Engagement Group which includes elected members and officers from a range of different services will be responsible for overseeing the development and implementation of the strategy. The group will produce an annual review of Community Engagement activity.

## OUTCOMES AND MONITORING

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It is important for us to know whether we are achieving our aims for this Community Engagement Strategy and we will use a variety of methods to measure this, including:

- Reporting on the following measures (via Are You Being Served questionnaire) and setting appropriate targets:
  1. Overall satisfaction with the local area as a place to live
  2. % of people who feel that they belong to their local area
  3. % of people who feel they can influence decisions in their local area
  4. % of people that would like to be more involved in the decisions that affect their local area
  5. % of people who feel local public services act on the concerns of local residents
  6. % of people who feel CBC and partners promote the interests of local residents
  7. % of people who think Chesterfield Borough Council keeps residents well informed about the services and benefits it provides
  8. % of people that agree that people in the local area pull together to improve the local area?
  9. Satisfaction with the way CBC runs things
  10. Perception of value for money CBC provides
- Monitoring, managing and reporting on the performance of this strategy and action plan in the Council and to elected members, partners and the public.
- Breaking down data (where possible and appropriate) for protected equality groups including gender, ethnicity, age and disability.
- Sharing experience and progress through local and regional networks e.g. the Derbyshire Community Engagement Group.
- Acting on feedback from our inspections and external assessments of performance.

# Agenda Item 14

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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By virtue of paragraph(s) 1 of Part 1 of Schedule 12A  
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# Agenda Item 16

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of the Local Government Act 1972.

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of the Local Government Act 1972.

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## COUNCIL MEETING – 15 OCTOBER 2014 MINUTES OF COMMITTEE MEETINGS

These Minutes are of Committee meetings taken under delegated powers since the last meeting of Council. The Minutes are for information only and there will be no questions or discussion on the Minutes at the Council meeting.

Please click on the links opposite the committee dates below to view the Minutes you want to read.

<b>Appeals And Regulatory Committee</b>	<a href="#">16 July 2014</a> <a href="#">23 July 2014</a> <a href="#">30 July 2014</a> <a href="#">6 August 2014</a> <a href="#">13 August 2014</a> <a href="#">20 August 2014</a> <a href="#">27 August 2014</a> <a href="#">10 September 2014</a> <a href="#">10 September 2014 [Full Committee]</a> <a href="#">17 September 2014</a> <a href="#">24 September 2014</a> <a href="#">25 September 2014</a> <a href="#">1 October 2014</a>
<b>Planning Committee</b>	<a href="#">4 August 2014</a> <a href="#">19 August 2014</a> <a href="#">26 August 2014</a> <a href="#">15 September 2014</a>
<b>Planning Sub Committee</b>	<a href="#">22 September 2014</a> <a href="#">24 September 2014</a>
<b>Standards and Audit Committee</b>	<a href="#">26 September 2014</a>

If you require paper copies of the Minutes please contact:

**Martin Elliott**

Democratic Services, Town Hall, Chesterfield, S40 1LP

Tel: 01246 345236 email: [democratic.services@chesterfield.gov.uk](mailto:democratic.services@chesterfield.gov.uk)

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**CABINET****Tuesday, 29th July, 2014**

Present:-

Councillor Burrows (Chair)

Councillors	Gilby King Ludlow Russell	Serjeant Bagley Flood
Non Voting Members	Brown Hill Hollingworth	Huckle Martin Stone

Flood +  
Bagley ++

+ Attended for Item 67.  
++ Attended for Item 63.

\*Matters dealt with under Executive Powers

**58 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS  
RELATING TO ITEMS ON THE AGENDA**

Councillor Huckle explained that he had declared a conflict of interest in respect of Minute No. 70 at the meeting of the Planning Committee on 19 May, 2014 and had withdrawn from that meeting during consideration of the planning application in respect of this item.

Councillors Hill and Gilby declared conflicts of interest in Minute No. 70 as Members of the Planning Committee and left the meeting during consideration of this item.

The Chief Executive declared a prejudicial officer interest in Minute No. 70 as a member of the Corporation of Chesterfield College and left the meeting during consideration of this item.

**59 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors McManus and Blank.

**60 MINUTES****RESOLVED -**

That the Minutes of the meetings of Cabinet on 7 and 15 July, 2014 be approved as a correct record and signed by the Chair.

**61 FORWARD PLAN**

The Forward Plan for the four month period 1 August, 2014 to 30 November, 2014 was reported for information.

**\*RESOLVED –**

That the Forward Plan be noted.

**62 DELEGATION REPORT**

Decisions taken by Executive Members during May and June, 2014 were reported.

**\*RESOLVED –**

That the Delegation Report be noted.

**63 CONSIDERATION OF THE REPORT AND RECOMMENDATIONS OF THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM ON MATTERS REGARDING EXTERNAL COMMUNICATIONS.**

Councillor Bagley presented a report on the findings of the Scrutiny Project Group which had carried out a review of the Council's approach to external communications. The Scrutiny Project Group had made the following recommendations which had been accepted by the Overview and Performance Scrutiny Forum at Minute No. 9 (2014/2015).

The recommendations made were:

- (i) That the Council adopts clear branding and a 'one council approach'.
- (ii) That a review be undertaken to look at how better coordination of marketing and communication activities can be achieved to enable the objectives of the new external communications strategy to be delivered, which may involve the need for a review of the organisational structure.
- (iii) That analytics (the discovery and communication of meaningful patterns in data) are used to guide web content and to be able to better predict and improve performance.
- (iv) That the Council considers adopting a 'digital first approach' to all of its external communications.

The Overview and Performance Scrutiny Forum's report and recommendations were now required to be considered by Cabinet in accordance with the Council's Scrutiny Procedure Rules.

**\*RESOLVED –**

- (1) That thanks be conveyed to Members of the Scrutiny Review Panel and the Overview and Performance Scrutiny Forum for their work and observations on the Council's approach to external communications.
- (2) That the recommendations at (i), (iii) and (iv) above be agreed and taken into account in the formulation of the new external communications strategy.
- (3) That the recommendation at (ii) above be implemented following the approval of the external communications strategy.

**REASON FOR DECISIONS**

To help ensure the production of the new External Communications Strategy is customer focused and embraces new technology and communications methods.

**64 PARKSIDE UPDATE AND APPOINTMENT OF DEVELOPER (H000)**

The Housing Services Manager – Business Planning and Strategy presented a report setting out the current position with regards to the redevelopment of the Parkside Older Persons Housing Scheme and to seek approval to award the construction contract following the completion of the tender process.

Of the six tenders received, A & S Enterprises were recommended to undertake the development on the basis that their proposal fulfilled all of the tender criteria, was the lowest price and achieved the highest score at tender evaluation.

**\*RESOLVED –**

- (1) That a contract be entered into with A & S Enterprises to construct the proposed new Parkside Older Persons Housing Scheme.
- (2) That a further report be brought to Cabinet on completion of the project.

**REASON FOR DECISIONS**

To continue to deliver the Council's strategy in respect of the sheltered housing stock.

**65 ANNUAL REPORT TO TENANTS (H000)**

The Housing Services Manager – Customer Division submitted a report on the draft Annual Report 2013/2014 to tenants, as required by the Homes and Communities Agency (HCA). A copy of the text of the Annual Report was attached to the report at Appendix A.

The Annual Report included details of the Housing Services' performance in 2013/14 against the HCA's standards and also made comparisons with previous years' performance. The report also set out the performance targets and details of service improvements (Local Offers) planned for the following year 2014/15.



The report stated that the STAR Customer Satisfaction Survey showed a marked increase in tenant satisfaction with Housing Services, with a 10% increase to 88% compared to 78% in 2008, and that performance in relation to the Local Offers and individual functional disciplines, had also largely shown improvement with targets either met or exceeded. There was also an improvement in the length of time it took to deal with complaints, enquires and correspondence.

Areas for improvement had, however, been identified through the Survey and other tenant feedback, such as car parking, dog fouling and litter.

Disappointment was expressed at the slight drop off in performance with regard to the management of anti-social behaviour cases, however it was recognised that previous years' performance had been higher than average and difficult to maintain. Improved performance was set as a target for 2014/2015, with a focus on support to tenants.

#### **\*RESOLVED –**

- (1) That the Annual Report to tenants be approved and submitted to the HCA.
- (2) That a full copy of the Annual Report be published on the Council's website and a summary of it be sent out to all tenants as part of the Autumn edition of 'Our Homes'.
- (3) That the performance targets for 2014/15 contained within the Annual Report be approved.

#### **REASON FOR DECISIONS**

To ensure compliance with the requirements of the HCA.

#### **66 NON TRADITIONAL STOCK CONDITION SURVEY (H000)**

The conduct of a Structural Survey of a 10% sample of Non-Traditional Housing Stock had been approved by the Executive Member for Housing in April 2013 (Decision Record No. 88/12/13) in order to assess building structure and condition, and to advise on the extent, cost and financial viability of structural refurbishment to ensure a minimum future life of 30 years.

The Housing Services Manager – Business Planning and Strategy submitted a report on the findings of the Structural Survey of the Non-Traditional Housing Stock and sought approval:

- to procure a suitable contractor to carry out the recommended works to the ‘BL8’ and ‘Cornish’ construction type properties;
- to procure consultants to provide advice and a contract administrator role in relation to the works to be carried out to non-traditional properties; and
- to carry out a detailed option appraisal with regard to the ‘Unity’ construction type properties.

**\*RESOLVED -**

- (1) That the Structural Survey of the Non-traditional Housing Stock be received.
- (2) That the Housing Services Manager – Business Planning and Strategy be authorised to update the HRA Business Plan to incorporate the Non-traditional Stock Condition Survey results and that a further report be submitted to Cabinet.
- (3) That the Housing Services Manager – Business Planning and Strategy be authorised to procure consultants, in accordance with the Council’s Standing Orders, to provide structural / technical advice and act as contractor administrators in relation to the proposed investment in the non-traditional housing stock and any associated options appraisal.
- (4) That the Housing Services Manager – Business Planning and Strategy be authorised to carry out an open tender process, in accordance with the Council’s Standing Orders, to procure a suitable contractor to carry out the recommended works to the BL8 and Cornish properties and that the costs associated with this work be met from the 2014/15 Housing Capital Programme.
- (5) That the Housing Services Manager – Business Planning and Strategy be authorised to carry out a detailed option appraisal on the investment needs associated with the Unity properties and the options available to the Council, and that a further report be submitted to Cabinet.

## REASONS FOR DECISIONS

To contribute to meeting the Council's Corporate priority 'To improve the quality of life for local people' by improving the quality of housing in the Borough.

To contribute to improved performance against the key performance indicator NI158 (% Decent Council Homes).

To contribute to the actions set out in the Council's Home Energy Conservation Act (HECA) Plan.

### 67 **CONSIDERATION OF THE REPORT AND RECOMMENDATIONS OF THE ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE ON MATTERS REGARDING THE WATER RATES COLLECTION PROCESS AND RELATED EVICTIONS POLICY**

Councillor Flood presented a report on the findings of the Scrutiny Project Group which had carried out a review of the Council's water rates arrears evictions policy and water rates collection process. The Enterprise and Wellbeing Scrutiny Committee had considered and revised recommendations of the Project Group (Minute No. 38 (2013/2014)).

The recommendations made were:

- (i) That officers report to Scrutiny in six months time, as to the outcome/progress on the water rates collection process and technology review.
- (ii) That an update be made to Scrutiny when the Contract with Severn Trent Water is formally signed, and again after one year.
- (iii) That support be given to reviewing the Tenant's information to:
  - (a) include more robust and prominent information on support available and advice regarding water rates and water meters.
  - (b) re-emphasise to all tenants the importance of communication with Revenues and Tenancy Support, if it is likely that the tenant may be approaching financial difficulties that may lead to arrears.

- (iv) That a progress report be made to Scrutiny in six months time, monitoring the number of evictions for water rates arrears.
- (v) That the Council's policy and procedure document in respect of evictions for arrears of water rates only, be amended to adopt the wording set out in Appendix 2 to the report.

The Enterprise and Wellbeing Scrutiny Committee's report and recommendations were now required to be considered by Cabinet in accordance with Scrutiny Procedure Rules.

**\*RESOLVED –**

- (1) That thanks be conveyed to Members of the Scrutiny Review Panel and the Enterprise and Wellbeing Scrutiny Committee for their work and observations on the Council's approach to the water rates arrears evictions policy and water rates collection process.
- (2) That the recommendations at (i), (ii), (iii), (iv) and (v) above be agreed.

**REASON FOR DECISION**

To review the Council's policy in relation to water rates arrears evictions and the water rates collection process.

**68 ESTABLISHMENT OF INFORMATION AND BOOKING HUB (L000)**

The Cultural and Visitor Services Manager submitted a report to recommend for approval the establishment of a hub combining the Theatres Box Office, Visitor Information Service, Arts Development, events, venue hire and promotions for Cultural and Visitor Services, to be located at the Visitor Information Centre, and to identify the Council's funding for the capital works.

At present, three buildings (Pomegranate Theatre, The Winding Wheel and the Visitor Information Centre) were open to the public for the sale of tickets, the making of bookings and the provision of information, which incurred significant costs in staffing and utility charges.

It was proposed that the Visitor Information Centre became the main hub for all bookings for the Pomegranate Theatre, Winding Wheel, Market Hall Assembly Rooms and Hasland Village Hall in order to achieve savings, and improve the level of customer service.

To establish the new hub, some structural work was required to the upstairs office of the Visitor Information Centre. Additional ICT and an upgrade to the telephone system were also required. The proposed layout was attached to the report at Appendix A. It was requested that the costs of the necessary alterations be financed from the Council's Invest to Save Fund. It was estimated that the proposals would create savings of £7000 per year in staffing costs, with additional savings in utility costs.

The human resource implications of the proposed changes were outlined in the report. Consultation with staff and trade unions had taken place.

Alternative options of remaining with the current service across three buildings, or locating the information and booking hub at a different site were considered, however the proposed location at the Visitor Information Centre was recommended as it was centrally located, fully accessible to both staff and members of the public and had the capacity to accommodate the centralised service.

**\*RESOLVED –**

- (1) That the creation of a hub combining the Theatres' Box Offices, Visitor Information Service, Arts Development, events, venue hire and promotions for Cultural and Visitor Services, located at the Visitor Information Centre, be approved.
- (2) That it be recommended to Full Council to approve:
  - (i) The inclusion of the development of a combined information and booking hub in the Capital Programme
  - (ii) That £23,000 from the Council's Invest to Save Fund is allocated for the necessary works to the Visitor Information Centre.

## REASONS FOR DECISIONS

To reduce the costs of service delivery and retain a quality service to the public.

### 69 **LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC**

#### RESOLVED –

That under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Part I of Schedule 12A to the Local Government Act 1972 – as they contained information relating to an individual and information relating to financial and business affairs.

### 70 **QUEEN'S PARK SPORTS CENTRE- LEGAL AGREEMENTS AND FUNDING ARRANGEMENTS (L000)**

The Contracts Solicitor submitted a report:

- to provide an update on progress with delivery of the new Queen's Park Sports Centre;
- to provide information on the Sport England grant application process;
- to provide an update on negotiations with Chesterfield College; and
- to seek authorisation to enter into the legal agreements required to complete the new Queen's Park Leisure Centre project.

The new leisure centre was agreed as a dual use facility, with Chesterfield College contributing £2.5 million towards the capital cost and making an annual revenue contribution in return for use of the new facility. Negotiations with Chesterfield College were near completion and approval was sought for the Contracts Solicitor to complete the Collaboration Agreement and the Lease document between Chesterfield College and the Council.

Sport England had advised that the Council's grant application had been successful, subject to the satisfactory completion of grant documentation.

The funding decision was required to remain confidential until after the Commonwealth Games 2014. The grant was to be for the maximum amount of £2 million. It is expressed as a maximum as the costs must first be spent and then claimed back.

A significant condition of the grant was that a restriction was required to be registered against the Council's title to the site upon which the leisure centre was to be built. The effect of the charge was to prevent the Council from charging or selling the site without Sport England's permission, with conditions attached that might require the Council to repay all or part of the grant. The restriction was to apply for 25 years.

In order to accept the Sport England grant, the legal agreement had to be in place imminently. Exemption from call in was therefore sought to ensure that the decisions could be implemented immediately.

Councillor Russell requested that his vote against the recommendations at paragraphs 7.1, 7.2, 7.3 and 7.4 of the report be recorded.

**\*RESOLVED -**

- (1) That the progress of the plans for the development of the new Queen's Park Sports Centre be noted.
- (2) That the Contracts Solicitor be authorised to make such alterations and amendments as may be necessary to the Legal Agreements and including to reflect any final negotiations.
- (3) That the Contracts Solicitor be authorised to take such steps as required to achieve legal completion of the documents and bind the Council to the Legal Agreements (and anything ancillary thereto). The Legal Agreements are:
  - (i) the Collaboration Agreement between Chesterfield College and the Council setting out the rights and obligations between the parties relating to the lease and the new Queen's Park Sports Centre
  - (ii) the Lease document between Chesterfield College and the Council.
  - (iii) The JCT Design and Build Contract (with amendments)

between the Council and Morgan Sindall PLC setting out the rights and obligations pertaining to the build of the facility.

- (iv) The Sport England Grant Agreement between Sport for England and the Council, being a deed to set forth the terms upon which grant will be made available for the project.
- (4) That the decisions at (2) and (3) above constitute urgent decisions exempt from call-in for scrutiny in accordance with paragraph 14.15 of the Scrutiny Procedure Rules.

## **REASONS FOR DECISIONS**

To enable the Council to meet its Corporate Plan key project of building a new facility to replace the existing Queen's Park Leisure Centre and to ensure that the Council has the benefit of the Legal Agreements.

To ensure the legal agreements take effect by the relevant deadlines.

## **71 NORTHERN GATEWAY SITE (R000)**

Further to Minute No. 0247 (2011/2012), a report was submitted by the Development and Growth Manager on progress with the Northern Gateway scheme.

It was recommended that the Council's relationship with Wilson Bowden, as preferred development partner, be ceased. This was due to the changes in the market since May 2012 when Wilson Bowden were selected. It no longer seemed viable for a large foodstore to be included in the development as an anchor tenant and Wilson Bowden had confirmed that there was no longer a commercially viable scheme for the Northern Gateway site that they would be interested in delivering.

It was proposed that the Council explore an alternative scheme with Muse, the reserve bidder who had remained interested in the site.

The report considered the alternative option of stopping the development of the Northern Gateway site in the short to medium term, however this was not considered the best option to ensure the continued viability of Chesterfield town centre and to progress the regeneration of one of the town's key gateway sites.



**\*RESOLVED –**

- (1) That the report be noted and that the Council's relationship with Wilson Bowden, as preferred development partner, be ceased.
- (2) That an alternative scheme be explored with Muse, the previous reserve bidder, having regard to the changes in the market since the competitive dialogue process was undertaken.

**REASON FOR DECISIONS**

To enable development of the Northern Gateway site as a key element of the Chesterfield Town Centre Masterplan and to maintain the vitality and viability of the town centre by strengthening its role as a key visitor destination.

**72 PURCHASE OF FORMER RIGHT TO BUY AT CARSINGTON CLOSE, HOLME HALL, CHESTERFIELD (H000)**

The Housing Services Manager – Business Planning and Strategy submitted a report seeking approval for Housing Services to purchase the property at 34 Carsington Close, Holme Hall, Chesterfield under the Right-to-Buy buy-back legislation.

The Housing Act 2004 introduced the Right of First Refusal (RFR) that gave Local Authorities the first opportunity to 'buy-back' properties being sold by former tenants who had acquired their properties under the Right-To-Buy scheme.

The Carsington Close property was originally purchased through the Right-to-Buy scheme in 2008. In June 2014 the Council were advised of the proposed sale of 34 Carsington Close by solicitors working for the current owners. The Council had 8 weeks to decide whether to purchase the property at current market value, and a further 12 weeks after such notice was given, to enter into a binding contract.

This was the first property that was proposed to be bought back under these regulations as it was determined to be more cost effective to buy this existing property than to build a new property.

It was also proposed that a policy be prepared for both Right-to-Buy re-purchases and Strategic Acquisitions as a more cost effective way of providing new affordable housing than new build

**\*RESOLVED**

- (1) That the purchase of 34 Carsington Close, Holme Hall, Chesterfield be approved and that the costs be met from the Housing Revenue Account Capital Programme.
- (2) That any costs associated with the purchase of the property and any associated repairs to bring it up to a lettable standard be met from the Housing Revenue Account.
- (3) That a further report is brought to Cabinet setting out policies for the purchase of former Right-to-Buy properties and wider strategic acquisitions such as former Housing Association Properties, section 106 agreements and opportunities to purchase land adjacent to Council owned assets.

**REASONS FOR DECISIONS**

To help meet the demand for affordable two bedroom homes.

To consider alternative ways in which to increase the Council's supply of affordable housing and ensure a sustainable Housing Revenue Account Business Plan for the future.

**CABINET****Tuesday, 9th September, 2014**

Present:-

Councillor Burrows (Chair)

Councillors	Blank	Ludlow
	Gilby	Russell
	King	Serjeant
Non Voting Members	Brown	Huckle
	Hill	Martin Stone
	Hollingworth	

\*Matters dealt with under Executive Powers

**73 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

**74 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor McManus.

**75 MINUTES****RESOLVED –**

That the minutes of the meeting of Cabinet held on 29 July 2014 be approved as a correct record and signed by the Chair.

**76 FORWARD PLAN**

The Forward Plan for the four month period 1 October, 2014 to 31 January 2015 was reported for information.

**\* RESOLVED –**

That the Forward Plan be noted.

77 **BUDGET MONITORING FOR 2014/2015 AND UPDATED MEDIUM TERM FINANCIAL PLAN**

The Head of Finance submitted a report outlining budget variances in the current financial year, highlighting future budget issues and providing an update on the medium term financial forecast. A number of measures were also proposed to tackle the forecast deficit positions in the short and medium-term.

**RESOLVED –**

- (1) That the budget monitoring report for April to July 2014 be noted.
- (2) That the previously approved funding commitments against the Council's unearmarked reserves be further reviewed.
- (3) That the updated medium term forecasts, risks and saving targets be noted.
- (4) That the 2015/16 budget preparation guidelines be approved.
- (5) That the proposed approach to budget consultation be approved.
- (6) That the proposed short and medium term actions to address the forecast budget deficits in 2014/15, 2015/16 and 2016/17 be supported.

**REASON FOR DECISION**

To maintain strategic oversight of the Council's finances.

78 **LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC**

**RESOLVED –**

That under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 – as they contained information relating to financial and business affairs.

79 **EXEMPT MINUTE - QUEEN'S PARK SPORTS CENTRE - LEGAL AGREEMENTS AND FUNDING ARRANGEMENTS (L000)**

**RESOLVED –**

- (1) That the exempt minute of the meeting of Cabinet held on 29 July 2014 be approved as a correct record and signed by the Chair.
- (2) That the exempt classification be removed and the minute be republished within the public minutes.

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**CABINET****Tuesday, 23rd September, 2014**

Present:

Councillor Burrows (Chair)

Councillors Blank  
King +  
LudlowMcManus  
SerjeantNon Voting Members Brown ++  
Hill  
HollingworthHuckle  
Martin Stone

+ Attended for Items 80-87

++ Attended for Items 80- 89

\*Matters dealt with under Executive Powers

**80 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS  
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

**81 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Gilby and Russell.

**82 MINUTES****RESOLVED –**

That the minutes of the meeting of Cabinet held on 9 September 2014 be approved as a correct record and signed by the Chair.

**83 FORWARD PLAN**

The Forward Plan for the four month period 1 October 2014 – 31 January 2015 was reported for information.

**\* RESOLVED –**

That the Forward Plan be noted.

**84**     **DELEGATION REPORT**

Decisions taken by Executive Members during July to September 2014 were reported.

**\* RESOLVED –**

That the Delegation Report be noted.

**85**     **CONSIDERATION OF THE REPORT ON THE ANNUAL EVALUATION OF OVERVIEW AND SCRUTINY ARRANGEMENTS (B000R)**

The Policy Manager and the Policy and Scrutiny Officer submitted a report reviewing the effectiveness of the Council's Overview and Scrutiny arrangements after 12 months of operation and suggesting a number of recommendations to help ensure continuous improvement in the delivery of the Overview and Scrutiny function.

The report outlined the review timetable and methodology used, which included a survey of the key stakeholders. The results of the survey showed a 50% improvement in some areas of performance, and a 50% decline in others, with a large number of responses recorded as "don't know". It was therefore considered that the evaluation results were inconclusive and proposed that an extended review be carried out during 2014/15 to consider:

- Overview and scrutiny structure
- Policies, procedures and documents
- Overview and scrutiny work programme
- Officer resources
- Awareness and engagement.

**\* RESOLVED –**

That it be recommended to Full Council:

- (1) That an extended internal review of Overview and Scrutiny arrangements take place during 2014/15.
- (2) That the current Overview and Scrutiny committees and arrangements be retained until the 2014/15 review is completed.
- (3) That further training for Members and Officers be provided after the review.



## REASON FOR DECISIONS

To ensure continuous improvement and the effective and efficient delivery of the Council's Overview and Scrutiny function.

### 86 **GREAT PLACE, GREAT SERVICE (GPGS) 6 MONTH UPDATE (B000)**

The Great Place Great Service (GPGS) Programme Manager submitted a report on the progress of the GPGS Transformation Programme during the period January – July 2014.

The outcomes achieved during this period were detailed in the report, with significant achievements highlighted as follows:

- The merger of the operational depots, enabling previously disparate service teams to work more closely together, and improving upgrades in staff accommodation and facilities at the Stonegravels depot.
- A new system of employee time recording had been introduced.
- Four voluntary sector organisations had taken up space in the Town Hall.
- 10 employees had been trained to Master Belt level improving the Council's lean capacity and capability.
- A Council wide approach to training and development had been designed around the GPGS programme, with 130 employees already having completed the programme.
- The Capital Receipts Programme had seen land and property sales amount to £706,000, which was £108,000 more than anticipated.
- Savings had been made on the Council's annual business rates bill following a series of successful challenges to the Valuation Office.
- The Model Office consultation had been completed.

The report also outlined the outcomes that were envisaged for the following 6 months, including:

- Procurement of a self-service, Customer Relationship Management system and document management technology and software.
- Completion of a conservation/heritage assessment of the Town Hall
- Model Office implemented and members' environment relocated.
- Business Optimisation Tool populated for all key service areas
- Heads of Terms and agreement in principle for the Register Office to lease space at the Town Hall.
- A final decision made on proposed sale of land at Ashgate Road
- A future space plan for the Town Hall agreed
- A flexible working solution procured and plans for roll out agreed.
- Further work progressed with the Valuation Office to challenge business rates.

**\* RESOLVED –**

That the performance of the GPGS programme for the period January 2014 to July 2014 be noted.

**REASON FOR DECISION**

To raise awareness of GPGS performance.

87 **CONSIDERATION OF THE INTERIM REPORT AND RECOMMENDATIONS OF THE ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE ON THE NEW LEISURE FACILITIES**

Councillor Flood presented a report on the interim recommendations of the Scrutiny Project Group that had been carrying out a review of the new leisure facilities project.

The group would continue to follow the project through the various stages of construction, with a final report to be produced six months after the new centre opens. Some interim recommendations had been made at this

stage, with regard to consultation, internal communications and community engagement.

The following recommendations were accepted by the Enterprise and Wellbeing Scrutiny Committee at Minute 25. (2014/2015):

- (i) That the best practice guidance and principles for community engagement, as highlighted in the Council's Community Engagement Strategy are considered throughout the life of projects including pre-decision consultation.
- (ii) That where possible and appropriate, pre-consultation dialogue takes place with key stakeholders, this may include Community Assemblies, service users, special interest groups, employees etc. particularly for major projects and decisions.
- (iii) That for projects impacting on employees a strong and sustained internal communications and engagement plan is developed which includes a variety of opportunities to engage in the decision making process.

The Enterprise and Wellbeing Scrutiny Committee's report and recommendations were now required to be considered by Cabinet in accordance with Scrutiny Procedure Rules.

**\* RESOLVED**

- (1) That thanks be conveyed to Members of the Scrutiny Project Group and the Enterprise and Wellbeing Scrutiny Committee for their work and observations on the new leisure facilities project at this interim stage.
- (2) That the recommendations at (i), (ii), and (iii) above be agreed.

**REASON FOR DECISIONS**

To improve communications with all stakeholders and to ensure the provision of quality and accessible community engagement opportunities for future Council projects and decisions.

**88 TREASURY MANAGEMENT REPORT FOR 2013/14 (J070R)**

The Head of Finance submitted a report on the Annual Treasury Management Report for 2013/14 and the Treasury Management activities for the first five months of 2014/15.

Brief details on the outcome of the tender process for banking services with four other Derbyshire local authorities were also reported.

The report was to be considered by the Standards and Audit Committee before being presented to Full Council for approval.

**\* RESOLVED –**

- (1) That the report be noted.
- (2) That the new contract for provision of banking services be noted.
- (3) That it be recommended to Full Council to:
  - (i) Note the outturn Prudential Indicators for 2013/14.
  - (ii) Note the treasury management stewardship report for 2013/14.
  - (iii) Note the treasury management position for the first five months of 2014/15.
  - (iv) Approve the proposed changes to the investment arrangements and limits.
- (4) That Standards and Audit Committee scrutinise the report and propose any changes to the Full Council.

**REASON FOR DECISIONS**

To comply with the Council's Treasury Management Policy and Practices, the CIPFA Code of Practice on Treasury Management (2009) and the CIPFA Prudential Code for Capital Finance in Local Authorities (2009).

**89 COMMUNITY ENGAGEMENT STRATEGY (S320R)**

The Policy Officer submitted a report recommending the approval of a new Community Engagement Strategy 2014/17.

Since the strategy was last reviewed in 2009, there had been changes in legislative requirements and expectations of local authorities in terms of community engagement and participation. These included the Equalities Act 2010 (Public Sector Equality Duty), Best Value Guidance (Duty to Consult), and Consultation Principles Guidance (2013).

The Community Engagement Strategy was intended to provide a framework for the Council's community engagement activity, and to improve the quality and accessibility of engagement opportunities within the Borough. As part of the service planning process, community engagement needs and opportunities for 2014/15 were to be identified by individual services with monitoring and review to be carried out by the Council's Community Engagement Group.

**\* RESOLVED -**

That the Community Engagement Strategy 2014-2017 be referred to Full Council for approval.

**REASON FOR DECISION**

To respond to relevant legislation and provide a corporate framework for community engagement activity across the Council.

**90 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC****RESOLVED –**

That under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 – as they contained information relating to financial and business affairs.

**91 REVIEW OF TENANT INVOLVEMENT (H000)**

The Housing Service Manager – Customer Division submitted a report on the review of Tenant Involvement and to recommend changes to improve the effectiveness of the current arrangements.

The review included consultation with tenants, including those involved in existing participation activities, research into current guidance on tenant participation, and a comparison with tenant engagement activities practiced in neighbouring local authorities.

It had been identified during the review that the Tenant Executive and Area Panels were not effective methods of engagement as they had low attendance and were not representative of the demographics of the tenant community. It was also recognised that the two remaining Tenant and Residents Associations (TARAs) were mainly social groups, with only limited evidence of local community issues being raised and discussed.

Alternative arrangements were proposed, including the use of the mobile office with an emphasis on being inclusive and reaching out to all parts of the community, and developing Service Review Groups, which would focus on specialist service areas enabling tenants to be involved in the matters of particular interest to them.

**\* RESOLVED –**

- (1) That Area Panel meetings be discontinued.
- (2) That Service Review Groups be developed, that focus on specialist areas of the service, aligned to the Regulatory Standards.
- (3) That Tenant Executive as a consultative body be discontinued.
- (4) That the Estate Improvement Budget for the Borough be pooled.
- (5) That a Protocol be produced to ensure joint working with Community Assemblies, particularly in relation to joint community projects and initiatives in relation to the Estate Improvement Budget.

- (6) That funding from Tenant and Resident Associations (TARAs) be reallocated into neighbourhood/community events.
- (7) That Mastin Moor TARA and Newbold TARA be supported to become self-financing from 1<sup>st</sup> April 2015.
- (8) That the feasibility of a reward scheme for young tenants active in the community be investigated.
- (9) That the revised Customer Involvement Agreement at Appendix A to the report be approved.

### **REASON FOR DECISIONS**

To ensure that the Council meets its obligations in terms of tenant involvement in accordance with best practice and in the most effective and inclusive way possible.

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## **JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE**

**Tuesday, 29th July, 2014**

Present:-

Councillor Burrows (Chair)

Councillors	Bradford	King
	Elliott	Ludlow
	Fanshawe	Russell
	Gibson	Serjeant
	Gilby	Simmons
	Higginbottom	

Non Voting	Brown	Huckle
Members	Hill	Martin Stone
	Hollingworth	

\*Matters dealt with under Executive Powers

**10** **DECLARATION OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

**11** **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors McManus and Blank.

**12** **MINUTES**

**RESOLVED –**

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 17 June, 2014 be approved as a correct record and signed by the chair.

**13** **LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC**

**RESOLVED –**

That under Regulation 21 (1)(b) of the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the following Paragraphs of Part 1 of Schedule 12A to the Local Government Act 1972 –

Paragraphs 1, 2 and 4, on the grounds that it contained information relating to individuals and to consultations or negotiations in connection with any labour relations matter arising between the authority and employees of the authority.

#### **14 CULTURAL AND VISITOR SERVICES RESTRUCTURE (EC000/L000)**

The Cultural and Visitor Services Manager submitted a report seeking approval for a revised staffing structure for the Town Centre Operations and Tourism, Museums & Events services.

In June 2013 (Minute No 0004 (2013/2014)), the Joint Cabinet and Employment & General Committee agreed to bring together tourism, museums, events, town centre operations, markets, parking, CCTV, arts and cultural services under Cultural and Visitor Services. The key aim of this Service is increasing the number of visitors/shoppers to the Borough by improving the wider town centre offer and facilitating their visit.

A restructure affecting service managers within Regeneration had already been undertaken.

The proposals in the report related to the staff teams below the Town Centre Operations Manager and Tourism, Museums & Events Manager.

The revised structure was proposed to ensure that the staff had the capacity, skills and abilities to deliver the services with reduced funding, by improving efficiency and generating income, wherever possible.

Consultation with affected staff and their trade unions had been undertaken. The report outlined the human resources and the financial implications, along with the potential risks and proposed actions to mitigate these.

Details of the current and proposed structures, with job descriptions and person specifications for new posts were attached as Appendices to the report.

Alternative options were considered, such as remaining with the existing structure, however the proposals, as set out in the report, were deemed the most suitable option to deal with the financial, strategic and operational challenges that lie ahead.

#### **\* RESOLVED –**

- (1) That the proposal to establish new staffing structures for both the Town Centre Operations and Tourism, Museums & Events Services, as described within the report and set out on the organisation charts at Appendix B and C to the report, be approved.
- (2) That the posts of Parking Assistant Manager (Operations), Parking Assistant Manager (Enforcement), Parking Development Officer, Parking Admin Assistant, Assistant Markets Operations Officer, Marketing and Promotions Officer (Markets), Markets Support Assistant, Museums

Assistant Curator, Museums Operations Supervisor, Museum Assistant (Administration) and Tourist Information Supervisor be deleted from the Council's establishment.

- (3) That the posts of Parking & CCTV Manager, Parking & CCTV Supervisor (2 posts), Parking & CCTV Support Assistant, Markets Manager, Markets & Town Centre Support Assistant, Museums Collections Officer, Promotions & Events Officer and Visitor Information & Museums Supervisor be established.
- (4) That the draft job descriptions and person specifications for the new posts, as set out in Appendix E to the report, be approved.
- (5) That the ongoing gross savings of £23,583 per annum achieved as a result of these new staffing structures be noted.
- (6) That the Cultural & Visitor Services Manager, be authorised to effect the appointment of staff to the new structures having regard to the Council's policies and protocols.

### **REASON FOR DECISIONS**

To establish new staffing structures for the Town Centre Operations and Tourism, Museums & Events Services to provide officers with the necessary skills and capabilities to deliver on one the Council's 3 main priorities.

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## OVERVIEW AND PERFORMANCE SCRUTINY FORUM MEETING

Wednesday, 10th September, 2014

Present:-

Councillor Innes(Chair)

Councillors	Burrows +++++	Gibson
	Borrell	King +
	Bradford	Hill +
	Callan	Tom Murphy
	Flood	Slack
		Paul Stone

Jonathan Alsop, ICT Projects Manager ++  
 Anita Cunningham, Policy and Scrutiny Officer  
 Barry Dawson, Head of Finance +++++  
 Martin Elliott, Committee and Scrutiny Coordinator  
 Julie McGrogan, Housing Service Manager – Customer Division ++++  
 John Moran, GPGS Project Manager ++  
 Donna Reddish, Policy Manager +++

+	Attended for Minute Nos. 20 and 21
++	Attended for Minute No. 20
+++	Attended for Minute No. 21
++++	Attended for Minute No. 22
+++++	Attended for Minute No. 23

**18 DECLARATIONS OF MEMBERS' AND OFFICERS INTERESTS RELATING TO ITEMS ON THE AGENDA**

No declarations were received.

**19 APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Bagley, Hawksworth and Lowe.

20 **EXECUTIVE MEMBER FOR GOVERNANCE AND ORGANISATIONAL DEVELOPMENT - PROGRESS REPORT ON ICT DEVELOPMENTS IN THE GREAT PLACE, GREAT SERVICE TRANSFORMATION PROGRAMME.**

The Executive Member for Governance and Organisational Development, the Great Place, Great Service Project Manager and the ICT Projects Manager provided an update on ICT developments in the Great Place, Great Service Transformation Programme.

The Great Place, Great Service Project Manager provided details on progress regarding Document Management Systems, Flexible Working and the progress of the development of Self Service facilities to enable residents to access Council Services effectively and efficiently.

The ICT Projects Manager presented a report on the Great Place, Great Service ICT developments in relation to the ICT Strategy 2012 - 2014. The implementation of this Strategy was being merged with the needs and goals of the Council's Great Place, Great Service initiative.

The Forum was also advised of the current situation regarding Microsoft Licences and that the Council was currently "under-licensed". The ICT Projects Manager gave details of the various options being considered to resolve this situation.

Members asked questions regarding the under-licensing situation and were provided with cost details. Members also asked questions regarding self service, flexible working, data security, ICT procurement and accessing documents on iPads when not at the Town Hall.

It was asked if the possibility of the Council employing an ICT expert to represent the its interests when dealing with arvato, had been considered. The Executive Member and Project Managers advised that this was something that was seen as beneficial and was being considered.

The Executive Member for Governance and Organisational Development, the Great Place, Great Service Project Manager and the ICT Projects Manager were thanked for their update.

**RESOLVED –**

That the Overview and Performance Scrutiny Forum recommend that Chesterfield Borough Council employ an ICT specialist to represent the Council's ICT needs and requirements.

21 **EXECUTIVE MEMBER FOR GOVERNANCE AND ORGANISATIONAL DEVELOPMENT - REPORT ON THE ANNUAL REVIEW OF OVERVIEW AND SCRUTINY ARRANGEMENTS**

The Executive Member for Governance and Organisational Development and Policy Manager presented the report on the Annual Review of Overview and Scrutiny Arrangements.

The Executive Member gave clarification on the purpose of the report in that it was to evaluate both members and officers experiences of the Scrutiny process.

It was reported that in July 2010 Council agreed to undertake an external review of the overview and scrutiny function. Following this independent review new arrangements were put in place subject to annual evaluation to ensure ongoing improvement.

This report detailed the 2013/14 annual evaluation which involved the survey of Council Members, Chief / Senior Officers, Service Managers and Scrutiny Link Officers, 127 in total. The 44 responses received gave an improved response rate of 16% on last year.

When benchmarking against the 2012/13 review 50% of the measures showed some improvement and 50% declined in performance. In addition concerns had been raised about the large number of respondents choosing the "don't know" option for the questions indicating a lack of awareness or engagement in overview and scrutiny..

The report also highlighted a number of key changes influencing overview and scrutiny functions since the 2011 external review. These included Health and Wellbeing responsibilities and the Sheffield City Region Combined Authority; Re-focused Corporate Planning and associated resource alignment; Major restructures impacting on Scrutiny including

the Corporate Management Team, Governance Service and Policy Service.

It was considered timely to revisit the findings of the 2011 external review and the subsequent arrangements put in place. The scope of the proposed new review included Overview and Scrutiny structure; policies procedures and documents; Overview and Scrutiny work programme; officer resource; and awareness and engagement in the Overview and Scrutiny process. The review should be completed by February 2015 to be implemented early in the 2015/16 financial year.

Members of the forum noted that many Members of the Council find the Scrutiny process confusing and that after the review training for Officers and Members should be arranged to increase understanding of the Scrutiny process.

#### **RESOLVED –**

1. That the recommendation that an extended internal review of Overview and Scrutiny arrangements takes place during 2014/15 be supported.
2. That the recommendation that the current Overview and Scrutiny committees and arrangements be retained until the 2014/15 review is completed be supported.
3. That further training for Members and Officers be provided after the review.

#### **22 EXECUTIVE MEMBER FOR HOUSING - REPORT ON THE REVIEW OF TENANT INVOLVEMENT**

The Assistant Executive Member for Housing and the Housing Service Manager, Customer Division presented the report on the Review of Tenant Involvement.

The Housing Service Manager, Customer Division advised that it was important that tenant involvement arrangements fit in with tenant's needs and that the report looked at how tenant involvement in Chesterfield Borough should look in the future to meet tenant's needs effectively.



The Housing Service Manager, Customer Division explained that the Tenant Executive had been noted as a particular area of concern. Membership of the Tenant Executive was small and was also not very representative of the demographics of the Community. Efforts had been made to make the membership more representative of the tenant body but these had been unsuccessful.

It was also reported that a particular area of concern with the current tenant involvement arrangements were low attendance at Area Panels and that it had been very difficult to increase attendances. It was noted that attendances did increase when a particular issue of concern was being discussed but that attendance would fall again when the issue had been resolved. As this method of engagement was the main method of engagement and was not working it was necessary to look at alternative methods.

The Forum was advised that there was now a Tenant Involvement Vehicle that goes around the estates and was proving very effective in managing to engage with a broader tenant group.

Members were pleased to see the proposal to have a reward scheme for young people to encourage them to get involved in community activities, such as litter picking, as a positive way of getting young people involved in their local communities.

Members asked several questions on the report and the Assistant Executive Member for Housing and the Housing Service Manager, Customer Division provided detailed answers. Members also asked what feedback from tenants there had been to the proposals. The Assistant Executive Member advised that while any proposed changes were seen with concern that overall the feedback received on the proposals was positive.

The Assistant Executive Member and the Housing Service Manager, Customer Division were thanked for the update for answering the Forum's questions.

## **RESOLVED –**

1. That the proposal that Area Panels be discontinued and replaced by estate based Tenant Engagement events, be supported.

2. That the proposal to dissolve the Tenant Executive and replaced it with less formal, workshop style Service Review Groups to look at particular parts of the Service, be supported.
3. That the proposal to end funding of TARA's with effect from 31 March 2015 be supported.
4. That the proposal to with work with the two TARAs during the remainder of this financial year to assist them in securing alternative funding and in ensuring that they are financially secure going forward, be supported.
5. That the proposal to pool the Estate Improvement Budget thus enabling larger projects to be considered, be supported.

23 **LEADER AND EXECUTIVE MEMBER FOR REGENERATION -  
REPORT ON BUDGET MONITORING FOR 2014/2015 AND UPDATED  
MEDIUM TERM FINANCIAL PLAN**

The Council Leader and Executive Member for Regeneration and Head of Finance presented the Report on Budget Monitoring for 2014/2015 and Updated Medium Term Financial Plan.

The indications were that the medium term outlook would continue to be challenging. A provisional Government Grant allocation for 2015/16 was released as part of the 2014/15 settlement process but there had been no indication about subsequent years. The Medium Term forecast approved by the Full Council on 27<sup>th</sup> February 2014 showed a deficit of £1.2m in 2015/16 rising to £2.0m in 2016/17 before the savings targets were taken into account. The savings assumed in the budget were £1.7m in both 2015/16 and 2016/17, leaving a net surplus in 2015/16 of £0.5m and a deficit in 2016/17 of £0.3m.

The financial year started with a forecast surplus of £244k after allowing for £824k of savings. The latest forecast, after just four months into the financial year, showed that the originally forecast surplus of **£244k** had now changed to a deficit of **£301k**.

The report further outlined budget variances in the current financial year, highlighting future budget issues and providing an update on the medium term financial forecast. A number of measures were also proposed to tackle the forecast deficit position in the short and medium-term.

The Head of Finance advised that due to poor attendance and engagement the process of Budget Consultation with the public was under review in order to develop a method of consultation that more residents would participate in.

It was also advised that while it is not unusual for a pessimistic budget forecast to be produced at the early stages of a financial year, only for a surplus to be achieved by the end of the year, these early warning signs need to be taken seriously and acted upon.

Members asked several questions relating to aspects of the report which the Leader and the Head of Finance answered. Members also asked what the Budget situation may look like at the end of the financial year. The Head of Finance advised that he expected some but not all of the anticipated deficits to be resolved.

The Leader advised that it was getting more difficult each year to balance the budget with the financial pressures currently being experienced by local authorities. Members noted that despite these budgetary pressures the Council was still providing excellent services to residents.

Members thanked the Leader and Head of Finance for attending and presenting a good report and for doing well in managing the Council's finances.

## **RESOLVED -**

1. That the budget monitoring report for the four months to the end of July be noted.
2. That the proposal to review the previously approved use of reserves as set out in Section 6 of the report, be supported.
3. That the updated medium term forecast, risks and savings targets be noted.
4. That the budget preparation guidelines be noted.

5. That the consideration of change to the approach to budget consultation be supported.

6. That the proposed short and medium term actions to address the forecast budget deficits be supported.

## **24 REVISED SCRUTINY PROJECT GROUP GUIDANCE**

The Policy and Scrutiny Officer presented the revised version of the guidance document for Scrutiny Project Groups.

The document had had some small tidying amendments with the only major change being to paragraph 10 stating that final Scrutiny Project Group reports must be received at a Scrutiny Business Meeting for sign off before the report progresses through the decision making process. The Policy and Scrutiny Officer would then manage transition of all reports to Scrutiny Committee and onwards to Cabinet (or other decision making body) as appropriate.

### **RESOLVED –**

That the revised version of the guidance document for Scrutiny Project Groups be approved.

## **25 FORWARD PLAN**

The Forward Plan was considered. Progress with Key Decision No 296 Careline Consortium was raised.

### **RESOLVED –**

1. That the Forward Plan be noted.
2. That it be noted that Key Decision No. 296 Careline Consortium would be scheduled for the agenda of the meeting of the Enterprise and Wellbeing Scrutiny Committee on 2 October, 2014

**26**     **SCRUTINY MONITORING**

Consideration was given to the Implementation Monitoring Form for Scrutiny Committee Recommendations.

**RESOLVED –**

1. That the Review of External Communications Scrutiny Project Group be discussed on agenda item 11, Work Programme for the Overview and Performance Scrutiny Forum.
2. That the Anti Social Behaviour item be removed from the Monitoring report.

**27**     **SCRUTINY PROJECT GROUP PROGRESS UPDATES**

An update was requested on the progress of the Scrutiny Project Group on Welfare Reform. No report was available.

**RESOLVED –**

That the Committee and Scrutiny Coordinator contact the Scrutiny Project Group leader for an update on this project group.

**28**     **WORK PROGRAMME FOR THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM**

The Work Programme for the Overview and Performance Scrutiny Forum was considered.

The Chair advised that the first meeting of the Scrutiny Project Group on Dog Fouling had taken place this week.

**RESOLVED –**

1. That an update of the External Communications Policy be scheduled for the January meeting of the Overview and Performance Scrutiny Forum.
2. That the item on Dog Control Measures Progress Report be scheduled for the January meeting of the Overview and Performance Scrutiny Forum.

3. That an update on the Chesterfield Procurement Service be circulated to Members of the Overview and Performance Scrutiny Forum.
4. That an update on the item on Corporate Asset Management be circulated to Members of the Overview and Performance Scrutiny Forum.
5. That the item on the Disposal of Hazardous Waste be removed from the Work Programme.
6. That the Asbestos Disposal Policy is circulated to Members of the Overview and Performance Scrutiny Forum.

## **29 JOINT OVERVIEW AND SCRUTINY**

The Minutes of the meeting of the Joint Scrutiny Panel held on 28 July, 2014 were presented.

### **RESOLVED –**

That the Minutes be noted.

## **30 OVERVIEW AND SCRUTINY DEVELOPMENTS**

The Policy and Scrutiny Officer asked the Members of the Overview and Performance Scrutiny Forum whether they wanted to continue having:

- Great Place, Great Service briefings held before meetings of the Enterprise and Wellbeing Scrutiny Committee meetings.
- Scrutiny training sessions held before meetings of the Overview and Performance Scrutiny Forum.

Members agreed that these sessions were useful and that they benefited from attending them.

**RESOLVED -**

1. That the Great Place, Great Service briefings before meetings of the Enterprise and Wellbeing Scrutiny Committee meeting continue.
2. That the Scrutiny training sessions before meetings of the Overview and Performance Scrutiny Forum continue.

**31 MINUTES**

The Minutes of the meeting of the Overview and Performance Scrutiny Forum held on 19 June 2014 were presented.

**RESOLVED –**

That the Minutes be approved as a correct record and signed by the Chair.

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## **ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE MEETING**

**Thursday, 31st July, 2014**

Present:-

Councillor Slack (Chair)

Councillors Bradford  
Flood

Gibson

Anita Cunningham – Policy and Scrutiny Officer  
Donna Cairns – Committee and Scrutiny Coordinator  
Martin Elliott - Committee and Scrutiny Coordinator  
Trevor Durham – Licensing Manager +

+ Attended for Minute No. 16

\*Matters dealt with under Executive Powers

### **14 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA**

There were no declarations.

### **15 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Callan.

### **16 TAXI LICENSING POLICY**

The Licensing Manager presented proposed amendments to the Hackney Carriage and Private Hire Licensing Policy.

The main proposed amendments were:

- 1) References to Criminal Records Bureau [CRB] being replaced by Disclosure and Barring Service [DBS]
- 2) References to “meter” being changed to “taximeter” with regard to hackney carriages to be in keeping with relevant legislation

- 3) Prohibiting the use of e-cigarettes in licensed vehicles- Schedule 4 'Conduct of Licensed Drivers'
- 4) Penalty Points aggravated by 'protected characteristics' – Schedule 3 Appendix 4. The scope of protected characteristics to be widened to include all elements of the Equality Act 2010.
- 5) Length of Insurance Policy – Schedule 1 Paragraph 8.4 Making the minimum acceptable length of an insurance policy 6 months
- 6) Test Failures – Schedule 1 Paragraph 16.7 For the purpose of penalty points the policy will apply if a vehicle is presented for test within 28 days of the previous licence expiring. This is due to a growing trend of vehicles being presented for test where the vehicle plate has already expired, thus meaning it is not a "licensed vehicle" meaning that points cannot be issued
- 7) Commercial advertising Paragraph 2.8.2 of policy. Relaxing the policy to allow advertising of the taxi company itself. The operator who raised this cited the need to advertise for drivers.
- 8) Wheelchair accessibility – Schedule 5 Application Guidance Paragraph 4.5. Drivers of wheelchair accessible vehicles must be qualified to an acceptable standard in the loading of wheelchairs and passengers with the Council accepting any one of the following qualifications
  1. DSA Wheelchair exercise;
  2. NVQ Level 2 of unit 228 Passenger Vehicle Driving [Taxi and Private Hire] [7439];
  3. Modules B1 and B2 of the Passenger Assistant Training Scheme [PATS]

This requirement will apply to all drivers, not just new drivers. Drivers will have 6 months to produce evidence they have the qualification after the policy is adopted. Drivers who have obtained the necessary accreditation will display a small wheelchair logo on their driver's badge. Only drivers with the wheelchair logo on their badge will be allowed to drive a wheelchair accessible vehicle.

- 9) Medical advice regarding diabetes – Schedule 5 Paragraph 4.7 this will include expanded advice for drivers who have been diagnosed as diabetic.
- 10) Appeal against penalty points - Schedule 3 Paragraph 3.6. Appeals against penalty points to be decided by the Environmental Health Manager instead of the Head of Service.

Taxi trade drivers and operators had been consulted on the proposed policy changes and in response had raised no objections other than relating to the proposed minimum 6 month length of insurance policy.

As part of the consultation it had also been suggested that the penalty points awarded for smoking in a licensed vehicle be reduced from the current number of six to three penalty points as it was felt this was disproportionate.

Proposed policy changes also addressed case law developments regarding the suspension and revocation of licenses.

#### **RESOLVED -**

1. That the proposals for changes to the Hackney Carriage and Private Hire Licensing Policy detailed in the consultation be supported.
2. That the proposal for the number of penalty points for smoking in a licensed vehicle be reduced from six to three be supported.

#### **17 FORWARD PLAN**

The Committee considered the Forward Plan for the period 1 August, 2014 to 30 November, 2014.

Regarding Key Decision No 296, Careline Consortium - The Committee is still waiting for an update on this and would like the Executive Member and lead officer to attend the Committee meeting when an update is available and before the report goes to Cabinet.

Regarding Key Decision 321, Review of Allocations Policy – Welfare Reform. The Committee would like the Executive Member and the lead officer to attend the Committee when the report is ready. The Committee would like to consider the report before it goes to Cabinet.

Regarding Key Decision No 369, Whole Life Cycle Building Costs for the New Sports Centre - it was expected that before this decision is made it would benefit from consideration of the existing Scrutiny Project Group on the same.

#### **RESOLVED –**

1. That the forward plan be noted.
2. That the update on the Careline Consortium be presented the Committee when it is available and before it goes to Cabinet.
3. That the report on Review of Allocations Policy – Welfare Reform is presented to the Committee when it is ready and before it goes to Cabinet.

#### **18 SCRUTINY MONITORING**

The Committee considered an update on the implementation of approved Scrutiny recommendations. It was noted that the Scrutiny Project Group on Water Rates Payment Policy had been considered by Cabinet and its recommendations approved.

#### **RESOLVED –**

1. That the update be noted.
2. That the Review of Water Rates Payment Policy remains on the Monitoring report.

#### **19 OVERVIEW AND SCRUTINY DEVELOPMENTS**

The Policy and Scrutiny Officer reported that the report on Overview and Scrutiny arrangements to be presented to Cabinet and then Council had been deferred to October.

#### **RESOLVED –**

That the update be noted.

## 20 **WORK PROGRAMME FOR ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE**

The Committee considered a list of items raised to date for its Work Programme. It was noted that a number of scheduled business items would be deferred to future meetings as reports were not available.

### Community Assembly Involvement - Dog Fouling

Councillor Slack advised that Councillor Innes had volunteered to chair a Scrutiny Project Group on dog fouling. Councillor Slack and Councillor Gibson stated that they would like to be involved in this Project Group.

### **RESOLVED –**

1. That the Work Programme be agreed and business items be rescheduled as reports become available.
2. That the Sport and Leisure Strategy, Parks and Open Spaces and Playing Pitches Strategy be added to the agenda for the next Committee meeting under an overarching item on Leisure.
3. That the Street Scene Improvement Plan be added to the agenda for the next Committee meeting.
4. That the report on Parkside Sheltered Housing Project Update and Appointment of Developer be added to the work programme and agenda for the next Committee meeting.
5. That a Scrutiny Project Group on Dog Fouling be appointed, that Councillor Innes be appointed to Chair the Project Group and that Councillors' Slack and Gibson also be appointed to the group.

## 21 **SCRUTINY PROJECT GROUPS PROGRESS UPDATES**

### New Leisure Facilities

The Committee discussed that if changes were made to the Committee's recommendations on the new leisure facilities, the next meeting of the Enterprise and Wellbeing Scrutiny Committee to confirm such changes would fall after the proposed date for Cabinet consideration.

**RESOLVED** – That if needed the Enterprise and Wellbeing Scrutiny Committee holds an extra meeting on 11 September 2014 before the meeting of the Overview and Performance Scrutiny Forum to enable the Committee to consider any changes to the recommendations.

Taxi Licensing Subsidy

There was no update.

**22 MINUTES OF THE MEETING HELD ON 5 JUNE, 2014**

The Minutes of the meeting of the Committee held on 5 June, 2014 were presented.

**RESOLVED –**

That the Minutes be approved as a correct record and signed by the Chair.

## **ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE**

**Wednesday, 10th September, 2014**

Present:-

Councillor Slack (Chair)

Councillors Bradford  
Callan

Councillors Flood  
Gibson

Anita Cunningham – Policy and Scrutiny Officer  
Donna Cairns – Committee and Scrutiny Co-ordinator  
Donna Reddish – Policy manager

### **23 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

### **24 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Hawksworth.

### **25 SCRUTINY PROJECT GROUP INTERIM REPORT ON NEW LEISURE FACILITIES - CONSIDERATION OF CHANGES TO THE SCRUTINY REPORT AND RECOMMENDATIONS.**

The Scrutiny Project Group Interim Report and Recommendations on New Leisure Facilities were presented by Councillor Flood.

The project group had been carrying out a review of the new leisure facilities project. The review was to continue to follow the stages of the project throughout construction, with a final report to be produced six months after the new centre opens. Some interim recommendations had been made at this stage, with regard to consultation, internal communication and engagement.

A concern had been identified as to the stage at which consultation with stakeholders begins to take place. It was hoped that the outcome of the recommendations would be to encourage all services, not limited only to

Leisure, to engage in active communication with all stakeholders, including internally with staff, from the inception of any new projects.

**RESOLVED –**

That the following recommendations be presented to Cabinet for consideration:

- (1) That the best practice guidance and principles for community engagement, as highlighted in the Council's Community Engagement Strategy are considered throughout the life of projects including pre-decision consultation.
- (2) That where possible and appropriate, pre-consultation dialogue takes place with key stakeholders, this may include Community Assemblies, service users, special interest groups, employees etc. particularly for major projects and decisions.
- (3) That for projects impacting on employees a strong and sustained internal communications and engagement plan is developed which includes a variety of opportunities to engage in the decision making process.