



Please ask for Donna Cairns  
Direct Line: 01246 345277  
Email [committee.services@chesterfield.gov.uk](mailto:committee.services@chesterfield.gov.uk)

The Chair and Members of Cabinet

14 September 2015

Dear Councillor,

Please attend a meeting of the CABINET to be held on TUESDAY, 22 SEPTEMBER 2015 at 10.30 am in Committee Room 1, Town Hall, Rose Hill, Chesterfield, the agenda for which is set out below.

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to items on the Agenda
2. Apologies for Absence
3. Minutes (Pages 5 - 10)

To approve as a correct record the Minutes of the Cabinet meeting held on 8 September, 2015.

4. Forward Plan (Pages 11 - 22)
5. Delegation Report (Pages 23 - 26)

## Items Recommended to Cabinet via Cabinet Members

### Deputy Leader and Cabinet Member for Planning

6. Budget Monitoring for 2015/16 and Updated Medium Term Financial Plan (Pages 27 - 40)
7. Treasury Management Report 2014/15 and Monitoring Report 2015/16 (Pages 41 - 56)

### Cabinet Member for Governance

8. Health and Safety Policy (Pages 57 - 88)

### Cabinet Member for Housing

9. Review of Transport Code of Practice (Pages 89 - 150)

### Cabinet Member for Town Centre and Visitor Economy

10. VAT treatment of Venue Hire (Pages 151 - 172)
11. Local Government Act 1972 - Exclusion of the Public

To move “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 involves the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 – information in relation to financial or business affairs”

## Part 2 (Non Public Information)

### Deputy Leader and Cabinet Member for Planning

12. Sale of the former Newbold School Site, Newbold Road, Chesterfield (Pages 173 - 182)

Yours sincerely,

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

Local Government and Regulatory Law Manager and Monitoring Officer

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## CABINET

Tuesday, 8th September, 2015

Present:-

Councillor Burrows (Chair)

Councillors T Gilby  
T Murphy  
Blank  
Huckle  
Ludlow

Councillors Serjeant  
A Diouf  
Brown  
Hollingworth

\*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

61 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Bagley, J. Innes and Wall.

62 **MINUTES**

**RESOLVED –**

That the minutes of the meeting of Cabinet held on 21 July 2015 be approved as a correct record and signed by the Chair.

63 **FORWARD PLAN**

The Forward Plan for the four month period October 2015 to January 2016 was reported for information.

**\* RESOLVED –**

That the Forward Plan be noted.

64 **REVIEW OF MEMBERS ALLOWANCES- ARRANGEMENTS FOR THE INDEPENDENT REMUNERATION PANEL**

The Committee and Scrutiny Co-ordinator submitted a report to enable the Cabinet to consider any issues that it wished to raise with the Independent Remuneration Panel (IR Panel) on the forthcoming review of members' allowances, in accordance with the protocol on arrangements for consulting members on the review.

It was noted that a meeting of the IR Panel had been arranged for Tuesday 15 September, 2015 and all members had been invited to submit written comments and/or indicate if they wished to make oral comments to the IR Panel.

The following preliminary issues had been raised with the IR Panel by the Monitoring Officer:

- (i) Payment of Special Responsibility Allowances
- (ii) Adequacy of and arrangements for the Mayoral allowance
- (iii) Telephone allowances

**\*RESOLVED –**

That the arrangements for consulting members on the review of the members' allowances scheme in line with the agreed Protocol be noted.

**REASON FOR DECISION**

To improve the quality and transparency of the Independent Remuneration Panel and its work.

65 **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.

**66 CARELINE PARTNERSHIP – CURRENT POSITION**

The Housing Services Manager – Customer Division submitted a report on the progress made regarding the establishment of joint working arrangements with Derbyshire County Council (DCC), Bolsover District Council and South Derbyshire District Council to provide Careline Services across Derbyshire.

Further to Cabinet Minute No. 118 (2014/15), further negotiations had taken place between the three District and Borough Councils and DCC on the terms of the partnership arrangements.

Due to a change in procurement rules and regulations, for the provision of the service to DCC funded customers, it was proposed that a Collaboration Agreement be approved in place of the original plan to create a Teckal company.

A procurement exercise had been completed and a successful tenderer had been identified for the provision of the ICT platform to enable the joint working. Following the signing of the Collaboration Agreement, the successful tenderer would be informed.

**\*RESOLVED –**

- 1) That the Heads of Terms and list of reserved matters governing the Partnership be approved and signed by the Council's Chief Executive.
- 2) That approval be given to proceed with the Collaboration Agreement and for the associated documentation to be signed by the Council's Chief Executive.
- 3) That further reports be brought to Cabinet at key stages of the development of the Careline Partnership.

**REASON FOR DECISIONS**

To enable the Council to continue to progress the joint working arrangements with Derbyshire County Council, Bolsover District Council and South Derbyshire District Council leading to the formation of the Derbyshire Careline Partnership.

**67 APPROVAL TO DISPOSE OF MISCELLANEOUS HOUSING STOCK**

The Housing Services Manager – Business Planning and Strategy submitted a report seeking approval to dispose of five miscellaneous residential properties that were deemed surplus to the Council's requirements.

The properties had been vacant for some years and Housing Services had not been able to let them due to their physical condition, locations and unsuitability as accommodation for families.

The options considered for dealing with these properties included disposal of the properties at auction or on the open market, leasing to another supported housing provider, refurbishment and re-letting, refurbishment and sale (to achieve a higher value), or demolition/redevelopment. It was proposed that the properties be disposed of at auction in order to expedite the sales to mitigate the Council's liabilities in continuing to secure and maintain the properties.

It was agreed that the Housing Services Manager – Business Planning and Strategy, in consultation with the Cabinet Member for Housing and the Assistant Cabinet Member for Housing, would progress a further review of the costings and options appraisals that had been carried out regarding four of the properties and that a further report would be brought back to Cabinet to determine the final courses of action in respect of these properties.

**\*RESOLVED -**

- 1) That the Housing Services Manager – Business Planning and Strategy be authorised to reconfigure the rear boundaries of 203 Station Lane, Old Whittington, with small strips of land being disposed of to the owners of 205 and 207 Station Lane.
- 2) That the Housing Services Manager – Business Planning and Strategy be authorised to dispose of 203 Station Lane, Old Whittington, following the reconfiguration of the boundaries to the rear of 205 and 207 Station Lane.
- 3) That further consideration be given by the Housing Services Manager – Business Planning and Strategy, in consultation with the



Cabinet Member for Housing and the Assistant Cabinet Member for Housing, to the various options available for achieving a sustainable return to residential occupation of the Council-owned properties at 49 Compton Street, Chesterfield and 11, 13 and 15 King Street North, Old Whittington, Chesterfield.

## **REASONS FOR DECISIONS**

To manage the Council's housing assets effectively and to support the Housing Capital Investment Programme.

To contribute to the delivery of the Council's priorities - 'to improve the quality of life for local people' and 'to provide value for money services'.

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CHESTERFIELD BOROUGH COUNCIL FORWARD PLAN  
FOR THE FOUR MONTH PERIOD 1 OCTOBER 2015 TO 31 JANUARY 2016

**What is the Forward Plan?**

This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of key decisions to be made on behalf of the Council. This Forward Plan sets out the details of the 'key' and other major decisions which the Council expects to take during the next four month period. The Plan is available to the public 28 days before the beginning of each month.

**What is a Key Decision?**

Any executive decision which is likely to result in the Council incurring significant expenditure or the making of savings where there is:

- a decision to spend £50,000 or more from an approved budget, or
- a decision to vire more than £10,000 from one budget to another, or
- a decision which would result in a saving of £10,000 or more to any budget head, or
- a decision to dispose or acquire any interest in land or buildings with a value of £50,000 or more, or
- a decision to propose the closure of, or reduction by more than ten (10) percent in the level of service (for example in terms of funding, staffing or hours of operation) provided from any facility from which Council services are supplied.

Any executive decision which will have a significant impact in environmental, physical, social or economic terms on communities living or working in one or more electoral wards. This includes any plans or strategies which are not within the Council's Policy Framework set out in Article 4 of the Council's Constitution.

**Are any other decisions included on the plan?**

The Forward Plan also includes details of any significant issues to be considered by the Executive Cabinet, full Council and Overview and Scrutiny Committee. They are called "non-key decisions". Non-key decisions that will be made in private are also listed.

**How much notice is given of forthcoming decisions?**

As far as possible and in the interests of transparency, the Council will seek to provide at least 28 clear days' notice of new key decisions (and many new non-key decisions) that are listed on this document. Where this is not practicable, such key decisions will be taken under urgency procedures (in accordance with Rule 15 (General Exception) and Rule 16 (Special Urgency) of the Access to information Procedure Rules). This will be indicated in the final column and a separate notice is also published with additional details.

**What information is included in the plan?**

The plan will provide a description of the decision to be taken, who will make the decision and when the decision is to be made. The relevant Cabinet Member for each decision is listed. If you wish to make representations about the decision to be made, the contact details of the appropriate officer are also provided. Decisions which are expected to be taken in private (at a meeting of the Cabinet or by an individual Cabinet Member) are marked "private" and the reasons privacy is required will also be stated. Each issue is also listed separately on the website which will show more details including any Urgency Notices if issued.

## How is consultation and Community Engagement carried out?

We want all our communities to be given the opportunity to be involved in the decisions that affect them so before a decision is taken, where appropriate, community engagement activities are carried out. The Council's Community Engagement Strategy sets out a framework for how the Council engages with its customers and communities. Details of engagement activities may be found in reports when published. Alternatively you can contact the officer to whom representations may be made.

## Notice of Intention to Conduct Business in Private

Whilst the majority of the business at Cabinet meetings will be open to the public and media to attend, there will inevitably be some business to be considered that contains, for example, confidential, commercially sensitive or personal information. This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that the Cabinet meetings shown on this Forward Plan will be held partly in private because some of the reports for the meeting will contain either confidential information or exempt information under Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1985 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

A list of the reports which are expected to be considered at this meeting in private are set out in a list on this Forward Plan. They are marked "private", including a number indicating the reason why the decision will be taken in private under the categories set out below:

- (1) information relating to any individual
- (2) information which is likely to reveal the identity of an individual
- (3) information relating the financial or business affairs of any particular person (including the authority holding that information)
- (4) information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- (6) Information which reveals that the authority proposes (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.
- (7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

If you would like to make representations about any particular decision to be conducted in private at this meeting then please email: [democratic.services@chesterfield.gov.uk](mailto:democratic.services@chesterfield.gov.uk). Such representations must be received in advance of 5 clear working days before the date Cabinet meeting itself, normally by the preceding Monday. The Council is required to consider any representations received as to why an item should not be taken in private and to publish its decision.

It is possible that other private reports may be added at shorter notice to the agenda for the Cabinet meeting or for a Cabinet Member decision.

**Huw Bowen**  
**Chief Executive**

Copies of the Council's Constitution and agenda and minutes for all meetings of the Council may be accessed on the Council's website: [www.chesterfield.gov.uk](http://www.chesterfield.gov.uk)



**CHESTERFIELD**  
BOROUGH COUNCIL

### Meeting Dates 2015/16

<u>Cabinet</u>	<u>Council</u>
2 June 2015* 16 June 2015 30 June 2015	
14 July 2015* 21 July 2015	22 July 2015
8 September 2015* 22 September 2015	
6 October 2015* 20 October 2015	14 October 2015
3 November 2015* 17 November 2015	
1 December 2015* 15 December 2015	16 December 2015
12 January 2016* 26 January 2016	
9 February 2016* 23 February 2016	25 February 2016
8 March 2016* 22 March 2016	
5 April 2016* 19 April 2016	27 April 2016 (ABM)
3 May 2016* 17 May 2016 31 May 2016	11 May 2016 (ACM)

### Cabinet members and their portfolios are as follows:

Leader and Cabinet Member for Regeneration	Councillor John Burrows	
Deputy Leader and Cabinet Member for Planning	Councillor Terry Gilby	
Cabinet Member for Business Transformation	Councillor Ken Huckle	Assistant Member Councillor Keith Brown
Cabinet Member for Governance	Councillor Sharon Blank	Assistant Member Councillor Mick Wall
Cabinet Member for Health and Wellbeing	Councillor Chris Ludlow	Assistant Member Councillor Helen Bagley
Cabinet Member for Housing	Councillor Tom Murphy	Assistant Member Councillor Sarah Hollingworth
Cabinet Member for Town Centre and Visitor Economy	Councillor Amanda Serjeant	Assistant Member Councillor Jean Innes

### In addition to the Cabinet Members above, the following Councillors are voting Members for Joint Cabinet and Employment and General Committee

Councillor Helen Elliott  
Councillor Gordon Simmons  
Councillor John Dickinson  
Councillor Jean Innes  
Councillor Maureen Davenport

\*From 2015/16, Joint Cabinet and Employment and General Committee meet immediately prior to the first meeting of Cabinet each month

(To view the dates for other meetings please click [here.](#))

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
<b>Key Decisions</b>								
Key Decision 337	<b>THI Scheme Project Evaluation</b> - to receive a final evaluation of the THI project for Chesterfield Town Centre.	Cabinet	Deputy Leader & Cabinet Member for Planning	6 Oct 2015	Report of Development Management and Conservation Manager	Paul Staniforth Tel: 01246 345781 paul.staniforth@chesterfield.gov.uk	Public	
Key Decision 398	<b>Sale of CBC Land/Property</b>	Deputy Leader & Cabinet Member for Planning	Deputy Leader & Cabinet Member for Planning	16 Sep 2015	Report of Head of Kier	Matthew Sorby Tel: 01246 345800 matthew.sorby@chesterfield.gov.uk	Exempt 3 Contains financial information	
Key Decision 495	<b>Local Government Pension Scheme</b> To approve the revised Discretions in accordance with the changes to the Local Government Pension Scheme Regulations	Cabinet Council	Cabinet Member - Business Transformation	6 Oct 2015 14 Oct 2015	Report of HR and Payroll Lead	Jane Dackiewicz Tel: 01246 345257 jane.dackiewicz@chesterfield.gov.uk	Public	
Key Decision 510	<b>Community Infrastructure Levy</b> To approve the adoption of the Community Infrastructure Levy, subject for formal notification and consultation	Cabinet Council	Deputy Leader & Cabinet Member for Planning	6 Oct 2015 14 Oct 2015	Report of Strategic Planning and Key Sites Manager	Alan Morey Tel: 01246 345371 alan.morey@chesterfield.gov.uk	Public	

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Key Decision 513	<b>Approval to Dispose of Miscellaneous Housing Stock</b>	Cabinet	Cabinet Member - Housing	8 Sep 2015	Report of Housing Service Manager – Business Planning & Strategy	Alison Craig Housing Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Exempt 3 Relating to financial and business affairs	
Key Decision 537	<b>Procurement Options</b> A paper providing options for the future service delivery method for the procurement service	Cabinet	Cabinet Member - Business Transformation	20 Oct 2015	Report of Business Transformation Manager	Karen Brown Tel: 01246 345293 karen.brown@chesterfield.gov.uk	Public	
Key Decision 539	<b>Barrow Hill Environmental Improvements Update</b> To update members on progress and provide details of next stages	Cabinet	Cabinet Member - Housing	3 Nov 2015	Report of Housing Manager - Business Planning and Strategy	Alison Craig Housing Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	
Key Decision 540	<b>Asbestos Compliance Report</b> Asbestos management compliance review and action plan	Cabinet	Cabinet Member - Housing, Cabinet Member - Governance	6 Oct 2015	Report of Housing Manager - Business Planning and Strategy and Business Transformation Manager	Alison Craig Housing Tel: 01246 345156 alison.craig@chesterfield.gov.uk	Public	

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Key Decision 541	<b>Cultural Venues Fees and Charges 2016</b> To review the scale of charges for lettings at the Pomegranate Theatre, the Winding Wheel, the Assembly Rooms in the Market Hall and Hasland Village Hall for 2016.	Cabinet	Cabinet Member - Town Centre and Visitor Economy	17 Nov 2015	Report of Cultural and Visitor Services Manager	Anthony Radford Tel: 01246 345339 anthony.radford@chesterfield.gov.uk	Public	
Key Decision 543	<b>Housing Related Support – an update</b>	Cabinet	Cabinet Member - Housing	20 Oct 2015	Report of Housing Manage - Customer Division	Julie McGrogan Tel: 01246 345135 julie.mcgrogan@chesterfield.gov.uk	Exempt 3 Relating to financial and business affairs	
Key Decision Page 16 545	<b>Budget Monitoring for 2015/16 and Updated Medium Term Financial Plan</b>	Cabinet Council	Deputy Leader & Cabinet Member for Planning	22 Sep 2015 14 Oct 2015	Report of Chief Finance Officer	Barry Dawson Tel: 01246 345451 barry.dawson@chesterfield.gov.uk	Public	
Key Decision 546	<b>Car Park Investment Plan</b> To present a planned programme of investment in Chesterfield town centre car parks over the next five years.	Cabinet	Cabinet Member - Town Centre and Visitor Economy	3 Nov 2015	Report of Town Centre Operations Manager Medium Term Parking Strategy 2013/2016	Andy Bond Tel: 01246 345991 andy.bond@chesterfield.gov.uk	Public	



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Key Decision 547	<b>Great Place: Great Service Update</b> To approve the focus and activity of the Great Place: Great Service Programme for the next 18 months.	Cabinet Council	Cabinet Member - Business Transformation Cabinet Member - Governance	20 Oct 2015 16 Dec 2015	Report of Executive Director	James Drury james.drury@chesterfield.gov.uk	Public	
Key Decision 548	<b>Review Statement of Licensing Policy</b> To adopt the revised statement of licensing policy to regulate licensable activities on licensed premises, by qualifying clubs and at temporary events in accordance with section 5 of the Licensing Act 2003.	Cabinet Council	Cabinet Member - Health and Wellbeing	1 Dec 2015 16 Dec 2015	Report of Licensing Manager	Trevor Durham Tel: 01246 345203 trevor.durham@chesterfield.gov.uk	Public	
Key Decision 549	<b>Environmental Health Fees and Charges 2016-17</b> To approve the fees and charges for environmental health services for 2016-17.	Cabinet	Cabinet Member - Health and Wellbeing	15 Dec 2015	Report of Environmental Health Manager	Russell Sinclair Tel: 01246 345397 russell.sinclair@chesterfield.gov.uk	Public	
Key Decision 550	<b>Parkside – Allocations/Charges and Support</b>	Cabinet	Cabinet Member - Housing	20 Oct 2015	Report of Housing Services Manager - Customer Division	Julie McGrogan Tel: 01246 345135 julie.mcrogan@chesterfield.gov.uk	Exempt 3 relating to financial or business affairs	

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Key Decision 551	<b>Review of Transport Code of Practice</b>	Cabinet	Cabinet Member - Housing	22 Sep 2015	Report of Operational Services Division Manager	Martyn Bollands Tel: 01246 345020 martyn.bollands@chesterfield.gov.uk	Public	
Key Decision 552	<b>VAT treatment of Venue Hire</b>	Cabinet	Cabinet Member - Town Centre and Visitor Economy	22 Sep 2015	Report of the Arts and Venues Manager	Anthony Radford Tel: 01246 345339 anthony.radford@chesterfield.gov.uk	Public	
Key Decision 553	<b>Health and Safety Policy</b> To approve the Council's revised policy.	Cabinet	Cabinet Member - Governance	22 Sep 2015	Report of Business Transformation Manager	Karen Brown Tel: 01246 345293 karen.brown@chesterfield.gov.uk	Public	
Key Decision 554	<b>Approval of the Council's Safeguarding Children and Vulnerable Adults Policy and Procedures</b>	Joint Cabinet and Employment & General Committee	Cabinet Member - Health and Wellbeing	3 Nov 2015	Report of Policy Manager	Donna Reddish Tel: 01246 345307 donna.reddish@chesterfield.gov.uk	Public	

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Key Decision 555	<b>Fees and Charges for the new Queen's Park Sports Centre</b>  To determine the fees and charges for memberships and use of the facilities at the new Queen's Park Sports Centre.	Cabinet Member for Health and Wellbeing	Cabinet Member - Health and Wellbeing	14 Sep 2015	Report of Sport and Leisure Manager	Mick Blythe Tel: 01246 345101 mick.blythe@chesterfield.gov.uk	Exempt 3 Relating to financial and business affairs	General Urgency Notice Published 4 Sep 2015
Key Decision 556	<b>Sale of the former Newbold School Site, Newbold Road, Chesterfield</b>	Cabinet	Deputy Leader & Cabinet Member for Planning	22 Sep 2015	Report of Keir Manager	Linda Martin Tel: 01246 345445 linda.martin@chesterfield.gov.uk	Exempt 3 Relating to financial and business affairs	Exempt Urgency Notice Published 7 Sep 2015
Key Decision 557	<b>Review of Fees and Charges for Outdoor Recreation 2016/17</b>	Cabinet	Cabinet Member - Health and Wellbeing	17 Nov 2015	Report of Environmental Services Manager	Mel Henley melhenley@chesterfield.gov.uk	Public	
Key Decision 558	<b>Review of Cemeteries Fees and Charges for 2016/17</b>	Cabinet	Cabinet Member - Health and Wellbeing	17 Nov 2015	Report of Environmental Services Manager	Mel Henley melhenley@chesterfield.gov.uk	Public	
Key Decision 559	<b>Review of Fees and Charges for Waste and Recycling 2016/17</b>	Cabinet	Cabinet Member - Health and Wellbeing	17 Nov 2015	Report of Environmental Services Manager	Mel Henley melhenley@chesterfield.gov.uk	Public	

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<b>Private Items (Non Key Decisions)</b>								
Non-Key 363	<b>Application for Home Repairs Assistance</b>	Cabinet Member - Housing	Cabinet Member - Housing	30 Sep 2015	Report of Business Planning and Strategy Manager - Housing Services	Jane Thomas jane.thomas@chesterfield.gov.uk	Exempt 1, 3 Information relating to an individual Information relating to financial affairs	
Non-Key 367	<b>Lease of Commercial and Industrial Properties</b>	Deputy Leader & Cabinet Member for Planning	Deputy Leader & Cabinet Member for Planning	30 Sep 2015	Report of Kier Asset Management	Christopher Oakes Tel: 01246 345346 christopher.oakes@chesterfield.gov.uk	Exempt 3 Information relating to financial or business affairs	
Non-Key 374	<b>Appointment of Independent Persons</b>	Standards and Audit Committee  Cabinet  Council	Cabinet Member - Governance	23 Sep 2015  6 Oct 2015  14 Oct 2015	Report of Monitoring Officer	Gerard Rogers Tel: 01246 345310 gerard.rogers@chesterfield.gov.uk	Exempt 1 Information relating to an individual	

Decision No	Details of the Decision to be Taken	Decision to be taken by	Relevant Portfolio Holder	Earliest Date Decision can be Taken	Documents to be considered by Decision taker	Representations may be made to the following officer by the date stated	Public or Private	Decision Under Urgency Provisions
Non-Key 375	<b>Settlement of dilapidation claim in respect of Council's former rented property at Whitting Road, Chesterfield.</b>	Deputy Leader and Cabinet Member for Planning	Deputy Leader & Cabinet Member for Planning	16 Sep 2015	Report of Keir	Linda Martin Tel: 01246 345445 linda.martin@chesterfield.gov.uk	Exempt 3 Relating to financial and business affairs	
<b>Non Key Decisions</b>								
Non-Key 41	<b>Public Private Partnerships (PPP) Update</b> To note performance and ongoing work.	Cabinet	Cabinet Member - Business Transformation	20 Oct 2015	Report of Executive Director	James Drury james.drury@chesterfield.gov.uk	Public	
Non-Key 42	<b>Treasury Management Report 2014/15 and Monitoring Report 2015/16</b> To review the treasury management activities of the Council for 2014/15 and for the first 5 months of 2015/16 to ensure compliance with the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the Council's approved policies.	Cabinet  Standards and Audit Committee  Council	Deputy Leader & Cabinet Member for Planning	22 Sep 2015  23 Sep 2015  14 Oct 2015	Report of Chief Finance Officer	Barry Dawson Tel: 01246 345451 barry.dawson@chesterfield.gov.uk	Public	

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## CABINET MEETING

8 September 2015

## DELEGATION REPORT

### DECISIONS TAKEN BY LEAD MEMBERS

#### Deputy Leader and Cabinet Member for Planning

Decision Record No.	Subject	Delegation Reference	Date of Decision
<b>2/15/16</b>	<b>Freehold disposal of land to the rear of 8-10 High Street, Staveley</b>	<b>G260L</b>	<b>17 July 2015</b>
<p>Decision</p> <p>(1) That the freehold sale of land to the rear of 8-10 High Street, Staveley on the terms set out in the officer's report be approved.</p> <p>(2) That the Property Procurement and Contracts Law Manager is granted delegated authority to deal with any late amendments to the proposed sale.</p>			
<p>Reason for Decision</p> <p>To secure a one off capital receipt plus fees for the Council.</p>			

Decision Record No.	Subject	Delegation Reference	Date of Decision
<b>3/15/16</b>	<b>Freehold disposal of land to the rear of 9 Chapel Lane East, Hasland</b>	<b>G260L</b>	<b>17 July 2015</b>
<p>Decision</p> <p>(1) That the freehold sale of land to the rear 9 Chapel Lane East, Hasland on the terms set out in the officer's report be approved.</p> <p>(2) That the Property Procurement and Contracts Law Manager is granted delegated authority to deal with any late amendments to the proposed sale.</p>			
<p>Reason for Decision</p> <p>To secure a one off capital receipt plus fees for the Council.</p>			
<b>4/15/16</b>	<b>Unit 25, The Pavements, Chesterfield</b>	<b>J420L</b>	<b>28 August 2015</b>
<p>Decision</p> <p>(1) That the 10 year lease on Unit 25, The Pavements be approved on the terms set out in the officer's report.</p> <p>(2) The Property, Procurement and Contracts Law Manager be granted delegated authority to deal with any late amendments to the terms of the lease.</p>			
<p>Reason for Decision</p> <p>The new lease will secure an income stream and improve the retail offer at the Pavements Shopping Centre.</p>			



**Cabinet Member for Housing**

Decision Record No.	Subject	Delegation Reference	Date of Decision
<b>5/15/16</b>	<b>Application for Home Repairs Assistance</b>	<b>H000L</b>	<b>13 July 2015</b>
<p>Decision</p> <p>That Home Repair Assistance of up to £10,903 be approved based on the costs outlined in the report.</p>			
<p>Reason for Decision</p> <ol style="list-style-type: none"> <li>1. To ensure that the property meets the Decent Homes Standard.</li> <li>2. To contribute to the Council's Corporate priorities of: <ul style="list-style-type: none"> <li>• improving the quality of life for local people;</li> <li>• improving the quality of housing within the borough to meet current and future needs;</li> <li>• improving the health and well-being of people in Chesterfield Borough; and</li> <li>• reducing inequality to support the more vulnerable members of our communities.</li> </ul> </li> <li>3. To contribute to the Housing Strategy by: <ul style="list-style-type: none"> <li>• making better use of the existing housing stock;</li> <li>• encouraging a quality, thriving private housing sector; and</li> <li>• helping to meet and maintain, as a minimum the Decent Homes Standard.</li> </ul> </li> </ol>			

Decision Record No.	Subject	Delegation Reference	Date of Decision
<b>6/15/16</b>	<b>Application for Disabled Facilities Grant</b>	<b>??</b>	<b>3 August 2015</b>
<p>Decision</p> <p>That discretionary Disabled Facilities Loan Assistance of £15,000 be approved based on the costs outlined in the report.</p>			
<p>Reason for Decision</p> <p>To enable a severely disabled and terminally ill person to continue living independently and safely in his own home.</p>			

## FOR PUBLICATION

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

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MEETING: (1) COUNCIL  
(2) CABINET  
(3) DEPUTY LEADER IN CONSULTATION WITH THE LEADER

DATE: (1) 14 OCTOBER 2015  
(2) 22 SEPTEMBER 2015  
(3) 14 SEPTEMBER 2015

REPORT BY: CHIEF FINANCE OFFICER

WARD: ALL

COMMUNITY ASSEMBLY: ALL

KEY DECISION REF: 545

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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 short term prudential borrowing be approved in principle at this stage to cover any capital funding deficit caused by the delays in generating capital receipts. (para. 5.4).
- 2.3 That the proposed use of reserves as set out in Section 6 of the report be reviewed and confirmed.
- 2.4 That the updated medium term forecast, risks and savings targets be considered (Section 7).
- 2.5 That the budget preparation guidelines in para. 8.1 be approved.
- 2.6 That the approach to budget consultation be considered (para. 8.3).
- 2.7 That the proposed short and medium term actions to address the forecast revenue budget deficits are supported (para. 11.4).

### **3.0 BACKGROUND**

- 3.1 The Council approved the original budget for 2015/16 on 26 February 2015. The Band 'D' Council Tax was frozen at £144.89. After allowing for planned savings of £586k, there was a forecast net budget deficit of £94k. Importantly, this position was only achieved after assuming that all the New Homes Bonus allocation (£616k) and the whole of the estimated gain from Business Rates Pooling (£404k) are used to support the budget.
- 3.2 All of the indications are that the medium term outlook will continue to be challenging. Provisional Government Grant allocations beyond 2015/16 were not announced as part of the 2015/16 settlement. Any announcement for 2016/17 and future years will follow the release of the 2015 Spending Review on 25 November 2015. The Medium Term forecast approved by the Full Council on 26 February 2015 showed deficits, before the savings targets are taken into account, of £1.4m in 2015/16 rising to £2.5m by 2019/20.

### **4.0 CURRENT YEAR'S BUDGET**

- 4.1 We started the year with a forecast deficit of £94k after allowing for £586k of savings. The latest forecast, after just four months into the financial year, shows that the originally forecast deficit has now increased to a deficit of **£490k**. A summary of the key variances is provided in the table below:

<b>2015/16 UPDATED BUDGET DEFICIT FORECAST</b>		
Deficit Forecast at the start of the year		94
<b><u>Budget Saving - increased income:</u></b>		
Sports Centres	(90)	
Venues	(99)	
Planning (net of additional staffing costs)	(60)	
Reinstate THI grant written off in 2014/15	(70)	
Recovery of dangerous building costs	<u>(24)</u>	(343)
<b><u>Budget Saving - reduced expenditure:</u></b>		
Energy budgets (Sports Centres, Venues, Parks, Market Hall, Community Rooms)	(103)	
External Audit Fee	(20)	
Vacancy savings above profiled allowance	(46)	
Car Parking & CCTV merger	<u>(20)</u>	(189)
<b><u>Budget Increase - reduced income:</u></b>		
Property Rents	94	
SpirePride surplus	28	
Open Market	20	
Market Hall	<u>20</u>	162
<b><u>Budget Increase - increased expenditure:</u></b>		
Card payment transaction costs	64	
Back-dated income system maintenance costs	<u>37</u>	101
<b><u>Adjustments to savings Targets:</u></b>		
Reversal of original budget	586	
GPGS Team - previously to be met from savings	<u>106</u>	692
Net of all other variances		(27)
<b>Updated Deficit Forecast</b>		<b>490</b>

- 4.2 The revised forecast does not allow for any costs associated with the implementation of the Living Wage for staff in 2015/16. It has been estimated that this will add £70k to the Council's annual pay bill but it is not clear at this point in time how much of this relates to General Fund staff. The impact in 2015/16 will also be affected by the date of implementation, a date which is yet to be agreed.
- 4.3 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 residual 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 challenging and far greater than those for 2015/16. 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 £256k have been received. The original forecast for the year was £5.6m but this has been revised down to just £2.9m. The reduction of £2.7m is due mainly to:
- £1.5m relating to the Hollythorpe Close and the former Fire Station sites being moved into 2016/17; due respectively to requiring a Local Plan allocation and awaiting progress on the Northern Gateway development.
  - £0.5m reduction in the forecast receipt from the Newbold School land sale following the receipt of tender bids;
  - £0.3m in respect of the cancellation of two planned disposals which were originally intended to help finance the acquisition of the North East Derbyshire District Council (NEDDC) Council Offices. The acquisition has fallen through so the properties are now being retained for their rental potential.
  - £0.3m from the planned sale of surplus land following the NEDDC Offices site acquisition.

The revised forecast of £2.9m, however, assumes that a number of significant disposals, including land at Newbold School, Whitebank, Gorse Valley and Ashgate Road, will still take place before the end of the financial year.

5.2 General Fund Capital Spend –the original capital budget for 2015/16 was £14.7m. Slippage from 2014/15 will increase this slightly. There are no significant variances to report at this stage other than the removal of the £1.7m budget for the NEDDC Council Offices acquisition. The total of the revised programme is £12.6m.

5.3 Net Capital Financing – the original budget showed a surplus of £1.2m. Adjusting for the removal of the NEDDC Offices expenditure and financing and the other capital receipt reductions identified above, the revised net position is a funding deficit of £0.9m which could increase to £3.8m if the £2.9m of capital receipts referred to in paragraph 5.1 are not received in this financial year.

5.4 Financing the forecast deficit - there is limited scope for reducing this deficit by either:

- a) Generating further capital receipts or
- b) Reducing expenditure, as the only significant budgets without earmarked funding (grants and/or reserves) attached to them are the Great Place: Great Service (GP:GS) Town Hall (£550k) and Netcall (£50k) schemes. Until the business cases for these projects are available it would be difficult to make a decision on whether to remove or reduce them.

The deficit has been caused by the delay in generating capital receipts so the proposal is to approve in principle, at this early stage in the financial year, the use of temporary prudential borrowing of up to £3.8m to meet the shortfall.

5.5 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 and 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 £1.5m, 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 table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve. There will be other commitments to include as decisions on new VR/VER applications are determined. There are two new applications of the fund to note:

1. A contribution of up to a maximum of £14k to group action claim for damages resulting from the incorrect VAT treatment of postal charges going back many years. If successful the claim could be worth a six figure sum.
2. The settlement of dilapidation costs of approximately £20k due on the expiry of the lease of a property to the Council on Whitting Valley Road.

<b>Table – Budget Risk Reserve</b>		
	<b>Updated Forecast £'000</b>	
<b>Balance b/fwd 1<sup>st</sup> April</b>	<b>781</b>	
<u>Less Approved Commitments:</u>		
STWA tenants consultation exercise	<b>(30)</b>	
Land Charges claims - paid	<b>(35)</b>	
Land Charges claims – outstanding balance	<b>(9)</b>	
Land Charges claims – New Burdens grant	<b>64</b>	
Erin Road Pumping Station	<b>(50)</b>	
External legal advice re works in default	<b>(3)</b>	
Learning & Development - training	<b>(6)</b>	
15/16 Growth – private sector stock survey	<b>(26)</b>	
15/16 Growth – Data Custodian Officer	<b>(17)</b>	
14/15 carry forward – Local Plan	<b>(14)</b>	
14/15 carry forward – Env Services ICT system	<b>(4)</b>	
14/15 carry forward – Election expenses	<b>(6)</b>	
Alderman Celebrations	<b>(5)</b>	Cnl 22 July
Digital Content Officer post	<b>(18)</b>	Cnl 22 July
Contribution to group litigation claim for damages re incorrect VAT treatment	<b>(14)</b>	
Dilapidation costs Whitting Valley Road	<b>(20)</b>	
<b>Uncommitted Balance</b>	<b>588</b>	



- 6.3 **Invest to Save Reserve** – The table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve. The reserve is therefore almost fully committed so any future bids will have to be funded from one of the other usable reserves.

<b>Table - Invest-to Save Reserve</b>		
	<b>Updated Forecast £'000</b>	
<b>Balance b/fwd 1st April</b>	<b>285</b>	
<u>Less Approved Commitments:</u>		
Customer Service Strategy - capital	<b>(105)</b>	
Local Collective Agreement	<b>(10)</b>	
Car park improvements	<b>(111)</b>	
Venues refurbishment	<b>(33)</b>	
Holmebrook Valley Park drainage	<b>(3)</b>	
Community Infrastructure Levy	<b>(5)</b>	
<b>Uncommitted Balance c/fwd</b>	<b>18</b>	

- 6.4 **Service Improvement Reserve** – The table below shows the opening balance in the reserve at the start of the financial year 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> April</b>	<b>1,154</b>	
<u>Less Approved Commitments:</u>		
Linacre Master Planning	<b>(40)</b>	
Linacre Master Planning – second tranche	<b>(20)</b>	Cnl 22 July GF 2/3 share
Project Academy (balance)	<b>(52)</b>	
Grit storage facility	<b>(5)</b>	
Venues refurbishment	<b>(20)</b>	
Car parking improvements	<b>(15)</b>	
Innov Centres – telephony system	<b>(204)</b>	
Innov Centres – telephony system - repayments	<b>25</b>	
Northern Gateway	<b>(100)</b>	
Open Market reconfiguration	<b>(23)</b>	
Waterside – legal costs	<b>(33)</b>	
<b>Uncommitted Balance</b>	<b>667</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 The General Working Balance has been reduced from £1.75m to £1.5m when the budget was set in February 2015 reflecting the perceived reduced risk at that time of the Business Rates Retention and the Localisation of Council Tax Support schemes. 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. Many of the issues identified in the first four months of 2015/16 are likely to continue into future years. The latest medium term forecast indicates significant deficits in all years. In 2016/17 the deficit has increased by £300k due to the Council's unfunded balance of the Business Rate Account deficit in 2014/15. The table below compares the latest forecast with the original budget forecast (before savings targets) approved in February:

<b>Budget Deficit Forecasts</b>			
	<b>2015/16 £'000</b>	<b>2016/17 £'000</b>	<b>2017/18 £'000</b>
<b>Latest Forecast</b>	<b>490</b>	<b>1,793</b>	<b>1,875</b>
Feb 2015 Budget	680	1,379	1,760
Change	(110)	414	115

- 7.2 In the Summer Budget (July 2015) the Chancellor asked non-protected departments to exemplify savings of 25% and 40% in real terms by 2019/20. What this will mean for local government is difficult to predict. It is possible that ministers will want to ensure social care is protected which will then add further pressure to the remaining unprotected services. Ministers might also take the view that the level of reserves in local government suggest that authorities are not really feeling the pinch yet. Our medium term forecast assumes a 41% reduction in settlement funding by 2019/20

and this has contributed towards the large budget deficits we face in 2016/17 (£1.8m) and future years.

- 7.3 The cuts in Government funding might require more than just reducing Settlement Funding Assessments and could, for example, include changes to the New Homes Bonus (NHB) scheme. It is widely acknowledged that the NHB is too generous to authorities, particularly shire districts with housing growth, when they also benefit from the growth in council tax income. Some form of reduction in the incentive effect (e.g. to 50% rather than 100% of the national council tax used to calculate the payment) or a reduction in the shire district share (currently 80%) is possible. Our medium term forecast assumes that the scheme will continue unchanged, with the estimated NHB of £0.8m in 2016/17 being used to support the budget, rising to £1.1m by 2019/20. Any reduction in the grant could, therefore, have a serious impact on the Council's finances.
- 7.4 The current medium term budget forecast also assumes that the Business Rates Pooling arrangement will continue into the future and that the £0.4m gain will be used each year to support the budget. However, the Government approves pooling arrangements on an annual basis so there is a risk that the gain could be withdrawn at some point in the future.
- 7.5 It is also uncertain at this point in time to what extent, if any, our New Homes Bonus allocations and Business Rates gains will be affected by the proposals to be included in the Sheffield City Region and D2N2 devolution bids.
- 7.6 The Spending Review which is due to be announced on 25<sup>h</sup> November 2015 will set out the departmental spending limits but what this means for individual local authorities will not be known until the Provisional Grant settlement is announced, perhaps some weeks later.
- 7.4 Local Council Tax Support Scheme for 2016/17 - Officers are currently reviewing whether the current scheme will need any significant changes as a result of the welfare budget changes announced in the Summer Budget. If any changes are required these will be included in a report for the Cabinet 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 2016/17 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 2.0% in 2016/17 and 3.0% in future years; and
  - CPI of 1.0% in 2016/17 and 2.0% in future years.
- Business rates are based on the RPI in the previous September – a rate of 1% for 2016/17 and 2% in 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 2016/17 to the full Council in December.
- c) Monthly Corporate Cabinet/Corporate Management Team budget priority setting workshops arranged from September through February;
- d) Cabinet 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 2016.

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

- 8.3 Consultation with the public – a new consultation process was introduced for the 2015/16 budget setting process which involved presentations and voting exercises at the four Community Assembly meetings during November. The feedback on this new arrangement was generally positive so it is proposed that we continue with a similar format for 2016/17.

## **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 2016/17 in February 2016.

## **11.0 CONCLUSIONS**

- 11.1 We are facing a potentially significant budget deficit in the current financial year and some major financial challenges in the years ahead. It is possible that the current years' deficit could be reduced through tight budgetary control through the remainder of the year, with any residual deficit being met from reserves. But we have to maintain our focus on the medium term where the scale of the forecast deficits is such that some significant budget savings are going to have to be implemented. At the same time there are a number of risks that could add further pressure to the forecast

deficits in future years e.g. New Homes Bonus allocations and Business Rates income.

- 11.2 The sooner the savings are made the better, as any delay will add further pressure to the future. For example, the £1.8m deficit forecast for 2016/17 will require savings equivalent to £150k per month to be found if implemented from the 1<sup>st</sup> April 2016 but the monthly target will increase to £300k if implementation is delayed by six months. Achieving savings of this magnitude will require some fundamental changes to the range and quality of the services the Council provides.
- 11.3 Officers are 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;
  - Vacancy control;
  - A 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;
  - Budget Worksop sessions with the Corporate Cabinet and Corporate Management Team to further develop and monitor the actions above.
- 11.4 Delivering the required budget savings has to be the number one corporate priority.

## **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 short term prudential borrowing be approved in principle at this stage to cover any capital funding deficit caused by the delays in generating capital receipts. (para. 5.4).
- 12.3 That the proposed use of reserves as set out in Section 6 of the report be reviewed and confirmed.

12.4 That the updated medium term forecast, risks and savings targets be considered (Section 7).

12.5 That the budget preparation guidelines in para. 8.1 be approved.

12.6 That the approach to budget consultation be considered (para. 8.3).

12.7 That the proposed short and medium term actions to address the forecast revenue budget deficits are supported (para. 11.4).

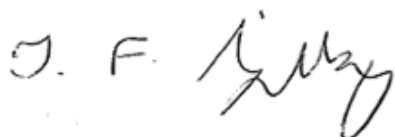
### **13.0 REASON FOR RECOMMENDATIONS**

13.1 To monitor the Council's finances.

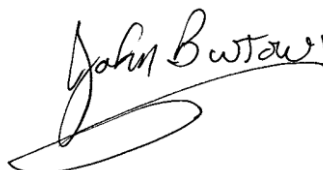
### **BARRY DAWSON, CHIEF FINANCE OFFICER**

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

Officer recommendation supported.



Signed Cabinet Member



Consultee Cabinet Member

Date 14/9/2015

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## FOR PUBLICATION

### TREASURY MANAGEMENT ANNUAL REPORT 2014/15 AND MONITORING REPORT 2015/16

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MEETING: (1) COUNCIL  
(2) STANDARDS & AUDIT COMMITTEE  
(3) CABINET  
(4) DEPUTY LEADER AND CABINET MEMBER  
FOR PLANNING

DATE: (1) 14 OCTOBER 2015  
(2) 23 SEPTEMBER 2015  
(3) 22 SEPTEMBER 2015  
(4) 14 SEPTEMBER 2015

REPORT BY: CHIEF FINANCE OFFICER

WARD: ALL

COMMUNITY  
ASSEMBLY ALL

KEY DECISION REF: Non-Key 42

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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 2014/15.
- 1.2 To consider the Treasury Management activities for the first five months of 2015/16.

## 2. RECOMMENDATIONS

2.1 That the **Council** is recommended to:

- (i) Note the outturn Prudential Indicators for 2014/15;
- (ii) Note the treasury management stewardship report for 2014/15;
- (iii) Note the treasury management position for the first five months of 2015/16;
- (iv) Approve the proposed changes to the investment arrangements and limits (Section 5).

2.2 That the **Cabinet** considers the report and recommends it, with any proposed changes, to the full Council for approval.

2.3 That **Standards and Audit Committee** scrutinizes the report and proposes any changes to the full Council.

## 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 2014/15 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 2014/15 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.

## 4. SUMMARY OF THE ANNUAL REPORT

- 4.1 During 2014/15, 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	2013/14 Actual £'000	2014/15 Revised £'000	2014/15 Actual £'000
Actual capital expenditure	19,197	20,933	<b>23,425</b>
Capital Financing Requirement:			
- General Fund	10,660	12,761	<b>13,627</b>
- HRA	140,540	138,432	<b>138,482</b>
- Total	151,200	151,193	<b>152,109</b>
External debt	144,967	140,535	<b>140,046</b>
Investments – under 1 year	19,962	24,839	<b>20,896</b>
1 year and above	3,160	-	<b>3,266</b>
Net borrowing	121,845	115,696	<b>115,884</b>

- 4.2 Other prudential and treasury indicators are to be found in Annexe 1. The Chief Finance Officer 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 2014/15.
- 4.3 The financial year 2014/15 continued the challenging environment of low investment return. There was a large differential between borrowing and investments rates during the year.
- 4.4 Investments – The majority of the Council's investment funds were managed externally by Investec during 2014/15. In their performance monitoring report for the quarter ended 31 March 2015, Capita, the Council's treasury advisers, commented on Investec's performance as follows:

“The fund had a successful year as it outperformed its benchmark in 3 out of 4 quarters. Performance continues to be driven by rising market value of the gilt as the fund continues to keep the rest of its book in strongly rated, short dated deposits. Increasing volatility in the fixed income market has suggested though that ongoing reliance on the gilt to bolster performance could be risky.

However the fund manager is actively exiting this form of management which will likely mean that future market conditions will not be an issue for the portfolio going forward.”

4.5 Borrowing – in terms of activity during the year on the Council’s debt portfolio:

- No new long term borrowing was undertaken; &
- Loan repayments of £1m were made.

## **5. 2015/16 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 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 31.08.2015.

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

In the first quarter of the year the interest rates achieved were below those assumed when setting the budget (0.71% against 0.8%). 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 £6,000 below the original budget target for the year.

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

In the first quarter of 2015/16, our external fund manager Investec announced their withdrawal of services to the local government sector and in July, the £21m portfolio managed by them was returned to the Council. Of this, £14.6m was returned directly to the Council and was then invested in an Enhanced Money Market fund by the in-house team. The remainder, related to two investments with some time to run to maturity and these were transferred into a custodian account with King Shaxon Limited, the leading supplier of transferrable securities to

UK Local Authorities. A review of the strategy for the longer term management of our investments is currently underway and will be reported later in the year.

#### 5.4 Borrowing activities in the period:

- No new long term borrowing has been undertaken;
- No repayments of principal have yet been made; &
- No debt rescheduling was undertaken.

#### 5.5 Compliance with Treasury & Prudential Limits

Due to the unexpected withdrawal of Investec as our fund managers we had to place £14.6m in an Enhanced Money Market Fund that was in place at the time of the transfer. This is a highly diversified fund which is regarded as highly secure as it has a triple “A” investment rating. We are, therefore, seeking retrospective approval for the limit for Enhanced Cash/Short Dated Bond Funds to be increased from £5m to £15m.

All other 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 have been maintained.

The main Prudential Indicators relating to borrowing are:

- Authorised Borrowing Limit – the limit for the year was set at £151m, the limit has not been breached.
- Operational Boundary – this was set at £140.6m for the year, again the limit has not been breached.

## 6. RECOMMENDATIONS

### 6.1 That the **Council** is recommended to:

- (i) Note the outturn Prudential Indicators for 2014/15;
- (ii) Note the treasury management stewardship report for 2014/15;
- (iii) Note the treasury management position for the first five months of 2015/16;
- (iv) Approve the proposed changes to the investment arrangements and limits (Section 5).

6.2 That the **Cabinet** considers the report and recommends it, with any proposed changes, to the full Council for approval.

6.3 That **Standards and Audit Committee** scrutinizes the report and proposes any changes to the full Council.

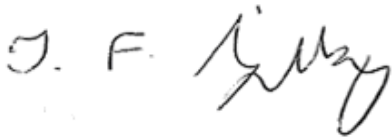
## 7. REASON FOR RECOMMENDATIONS

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**  
**CHIEF FINANCE OFFICER**

Further information on this matter can be obtained from  
Barry Dawson, Chief Finance Officer (ext. 5451).

Officer recommendation supported.



Signed: Cabinet Member

Date 14/9/2015

# **Annual Treasury Management Review 2014/15**

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# Annual Treasury Management Review 2014/15

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## 1. Introduction

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 2014/15. 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 2014/15 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 27/02/2014)
- a mid-year (minimum) treasury update report (Council 15/10/2014)
- 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 original market expectation at the beginning of 2014/15 was for the first increase in Bank Rate to occur in quarter 1 2015 as the unemployment rate had fallen much faster than expected through the Bank of England's initial forward guidance target of 7%. In May, however, the Bank revised its forward guidance. A combination of very weak pay rises and inflation above the rate of pay rises meant that consumer disposable income was still being eroded and in August the Bank halved its forecast for pay inflation in 2014 from 2.5% to 1.25%. Expectations for the first increase in Bank Rate therefore started to recede as growth was still heavily dependent on buoyant consumer demand. During the second half of 2014 financial markets were caught out by a halving of the oil price and the collapse of the peg between the Swiss franc and the euro. Fears also increased considerably that the ECB was going to do too little too late to ward off the threat of deflation and recession in the Eurozone. In mid-October, financial markets had a major panic for about a week. By the end of 2014, it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even turn



negative. In turn, this made it clear that the MPC would have great difficulty in starting to raise Bank Rate in 2015 while inflation was around zero and so market expectations for the first increase receded back to around quarter 3 of 2016.

Gilt yields were on a falling trend for much of the last eight months of 2014/15 but were then pulled in different directions by increasing fears after the anti-austerity parties won power in Greece in January; developments since then have increased fears that Greece could be heading for an exit from the euro. While the direct effects of this would be manageable by the EU and ECB, it is very hard to quantify quite what the potential knock on effects would be on other countries in the Eurozone once the so called impossibility of a country leaving the EZ had been disproved. Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing, purchasing EZ government and other debt in March. On the other hand, strong growth in the US caused an increase in confidence that the US was well on the way to making a full recovery from the financial crash and would be the first country to start increasing its central rate, probably by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in concerns around political risk from the general election in May 2015.

### 3. Overall Treasury Position as at 31 March 2015

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 2014/15 the Council's treasury position was as follows:

<b>TABLE 1</b>	<b>31 March 2014 Principal £000</b>	<b>Rate/ Return %</b>	<b>Average Life years</b>	<b>31 March 2015 Principal £000</b>	<b>Rate/ Return %</b>	<b>Average Life years</b>
<b>General Fund:</b>						
<b>Long term debt</b>	<b>4,298</b>	<b>6.21</b>	<b>10.1</b>	<b>4,097</b>	<b>6.13</b>	<b>9.5</b>
<b>CFR</b>	<b>10,660</b>			<b>13,627</b>		
<b>Over / (under) borrowing</b>	<b>(6,362)</b>			<b>(9,530)</b>		
<b>Short term debt</b>	<b>5,060</b>	<b>0.39</b>		<b>2,000</b>	<b>0.35</b>	
<b>HRA:</b>						
<b>Long term debt</b>	<b>135,609</b>	<b>3.92</b>	<b>23.8</b>	<b>133,949</b>	<b>3.89</b>	<b>23.1</b>
<b>CFR</b>	<b>140,540</b>			<b>138,482</b>		
<b>Over / (under) borrowing</b>	<b>(4,931)</b>			<b>(4,533)</b>		
<b>Total investments</b>	<b>23,122</b>	<b>0.34</b>		<b>24,162</b>	<b>0.96</b>	
<b>Net debt</b>	<b>121,845</b>			<b>115,884</b>		

#### 4. The Strategy for 2014/15

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 Chief Finance Officer 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.

**Change in strategy during the year** – the strategy adopted in the original Treasury Management Strategy Report for 2014/15 approved by the Council on 27/02/2014 was subject to revision during the year. Counterparty limits for UK part nationalized banks were increased and specified and non-specified investments previously available only to the external fund managers were extended to be available to the in-house investment team too. These changes were made to provide increased flexibility in terms of the amounts that could be invested and the range of financial instruments available.

## 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 2014/15 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 2014 Actual £000</b>	<b>31 March 2015 Revised £000</b>	<b>31 March 2015 Actual £000</b>
Opening balance	8,357	10,660	10,660
Add unfinanced capital expenditure	2,620	2,485	3,351
Less MRP/VRP	(317)	(384)	(384)
Closing balance	10,660	12,761	13,627

<b>CFR: HRA</b>	<b>31 March 2014 Actual £000</b>	<b>31 March 2015 Revised £000</b>	<b>31 March 2015 Actual £000</b>
Opening balance	142,680	140,540	140,540
Add unfinanced capital expenditure	-	-	50
Less MRP/VRP	(2,140)	(2,108)	(2,108)
Closing balance	140,540	138,432	138,482

## 6. Borrowing Outturn for 2014/15

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

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

**Repayments** – Repayments of £1m were made in the year.

	<b>2013/14 Actual £000</b>	<b>2014/15 Revised £000</b>	<b>2014/15 Actual £000</b>
Interest payable on borrowing			
General Fund	541	552	522
HRA	5,440	5,183	5,152

## 7. Investment Outturn for 2014/15

**Investment Policy** – the Council’s investment policy is governed by CLG guidance, which has been implemented in the annual investment strategy approved by the Council on 27/02/2014. 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 £8.1m of internally managed funds. The internally managed funds earned an average rate of return of 0.65%. The comparable performance indicator is the average 7-day LIBID rate (uncompounded), which was 0.35%. This compares

with a budget assumption of £7.9m investment balances earning an average rate of 0.65%.

**Investments held by fund managers** – the Council used Investec Asset Management as external fund managers to invest part of its cash balances. The performance of the managers against the benchmark return was:

Fund Manager	Investments Held	Return	Benchmark*
Investec	£21.7m	0.89%	0.37 %

This compares with a budget assumption of average investment balances of £21.7m at 0.8% investment return. Investec announced that they were leaving the local authority market in the first quarter of 2015/16, and all balances were returned to the Council in July 2015.

## Appendix 1: Prudential and treasury indicators

<b>1. PRUDENTIAL INDICATORS</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2014/15</b>
<b>Extract from budget and rent setting report</b>	<b>actual</b>	<b>revised</b>	<b>actual</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Capital Expenditure</b>			
General Fund	6,458	7,933	8,002
HRA	12,739	13,000	15,423
TOTAL	19,197	20,933	23,425
<b>Ratio of financing costs to net revenue stream</b>			
General Fund	4.53%	4.76%	4.50%
HRA	15.31%	13.82%	13.80%
<b>Gross borrowing requirement General Fund</b>			
brought forward 1 April	8,638	9,358	9,358
carried forward 31 March	9,358	6,097	6,097
in year borrowing requirement	720	(3,261)	(3,261)
<b>Gross borrowing requirement HRA</b>			
brought forward 1 April	138,104	135,609	135,609
carried forward 31 March	135,609	133,949	133,949
in year borrowing requirement	(2,495)	(1,660)	(1,660)
<b>Gross debt</b>	144,967	140,535	140,046
<b>CFR</b>			
General Fund	10,660	12,761	13,627
HRA	140,540	138,432	138,482
TOTAL	151,200	151,193	152,109
<b>Annual change in Cap. Financing Requirement</b>			
General Fund	2,303	2,101	2,967
HRA	(2,140)	(2,108)	(2,058)
TOTAL	163	(7)	909

<b>2. TREASURY MANAGEMENT INDICATORS</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2014/15</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 - borrowing</b>	161,500	156,000	156,000
<b>other long term liabilities</b>	-	-	-
<b>TOTAL</b>	<b>161,500</b>	<b>156,000</b>	<b>156,000</b>
<b>Operational Boundary for external debt - borrowing</b>	150,250	145,000	145,000
<b>other long term liabilities</b>	-	-	-
<b>TOTAL</b>	<b>150,250</b>	<b>145,000</b>	<b>145,000</b>
<b>Actual external debt</b>	144,967	140,535	140,046
<b>Maximum HRA debt limit</b>	155,612	155,612	155,612
<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 (per maturity date)</b>	25%	25%	25%

<b>Maturity structure of fixed rate borrowing during 2014/15</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	75%	25%

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## FOR PUBLICATION

### CORPORATE HEALTH & SAFETY POLICY REVIEW

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MEETING:	(1) CABINET (2) CABINET MEMBER – GOVERNANCE
DATE:	(1) 22 SEPTEMBER 2015 (2) 8 SEPTEMBER 2015
REPORT BY:	BUSINESS TRANSFORMATION MANAGER  (CORPORATE HEALTH & SAFETY ADVISER)
WARD:	ALL
COMMUNITY ASSEMBLY:	ALL
KEY DECISION:	553

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## **FOR PUBLICATION**

BACKGROUND PAPERS: NONE

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### 1.0 **PURPOSE OF REPORT**

1.1 To request approval for the latest revision of the Corporate Health & Safety Policy.

### 2.0 **RECOMMENDATIONS**

2.1 That the Corporate Health and Safety Policy be recommended to Cabinet for approval and issued to Service Areas.

2.2 That the Corporate Health and Safety Policy be reviewed again before the end of 2017.

### 3.0 **BACKGROUND**

3.1 The Corporate Health and Safety Policy is reviewed every two years. The aim of the review is to ensure that the policy takes into account any new or amended safety legislation and to set out a clear direction for the Council

to follow to ensure compliance with legislative changes. The Policy also aims to demonstrate the Council's commitment to continuous improvement in health and safety arrangements.

#### 4.0 **SUMMARY OF 2015 REVISION OF CORPORATE HEALTH & SAFETY POLICY**

- 4.1 The latest revision of the Corporate Health and Safety Policy takes into account the recent corporate re-structure and how it has affected health and safety management responsibilities.
- 4.2 It also takes into account any changes in health and safety legislation that have come into force since the last revision of the policy in 2013.
- 4.3 The policy document, attached at Appendix 1, is made up on three sections:
- 4.3.1 **Section 1 – Statement of Intent** – This section outlines the Council's commitment to ensuring the health and safety of its employees and to ensure its activities do not expose others to risk to their health & safety.
  - 4.3.2 **Section 2 – Organisation** – This section outlines the health & safety responsibilities of the Council, its employees and anyone who is working for or on behalf of the Council.
  - 4.3.3 **Section 3 – Arrangements** – this section outlines the general arrangements for implementing the policy.
- 4.4 The policy document has been examined and approved by the Council's health and safety 'champion' and the Senior Leadership team.
- 4.5 Amendments to the document since its last revision in 2013 have been highlighted in bold so that they can be easily identified.
- 4.6 A final approved draft of the policy document will be uploaded onto the health and safety pages on the Council's Intranet.
- #### 5.0 **EQUALITIES CONSIDERATIONS**
- 5.1 An Equalities Impact Assessment has been completed for the Council's health and safety arrangements. The details of the assessment can be found at Appendix 3.

6.0 **CONSULTATION**

6.1 The policy was presented to the Health and Safety Committee on 23 April 2015 for their consideration.

7.0 **RISK**

<b>RISK</b>	<b>IMPACT</b>	<b>LIKELIHOOD</b>	<b>MITIGATING ACTION</b>
1. That the policy is not updated to ensure compliance with latest legislative changes and best practice.	High	Low	Policy updated at least every two years or when new legislation dictates.
2. That future changes to Council's undertakings are not reflected in policy.	High	Low	Policy updated at least every two years or when changes to Council's undertakings dictate.
3. That policy is not accessible to all employees.	High	Low	<ul style="list-style-type: none"> <li>• Policy available on Council intranet.</li> <li>• Hard copies prepared for Service areas where employees do not have access to personal computers.</li> </ul>
4. That insufficient resources, (funding and staffing), and expertise is available to fully implement the policy.	High	Low	<ul style="list-style-type: none"> <li>• The council has sufficient finances and staff resource to deliver the policy.</li> <li>• CMT to be offered appropriate training, as required, to ensure understanding and implementation of the policy</li> </ul>

8.0 **RECOMMENDATIONS**

8.1 That the Corporate Health & Safety Policy be recommended to Cabinet for approval and issued to Service Areas.

8.2 That the Corporate Health and Safety Policy be reviewed again before the end of 2017.

9.0 **REASON FOR RECOMMENDATION**

9.1 To ensure the Council has updated and appropriate health and safety arrangements in place.

KAREN BROWN

BUSINESS TRANSFORMATION MANAGER

Further information on this matter can be obtained from Marc Jasinski  
(Extension 5297)

Officer recommendation supported.

*S.L. Blank.*

Signed Cabinet Member

Date 8/9/2015

# **CHESTERFIELD BOROUGH COUNCIL**

## **CORPORATE HEALTH AND SAFETY POLICY**

**2015**

**REVIEW DATE: 2017**

## SECTION 1 – STATEMENT OF INTENT

**Chesterfield Borough Council is committed to ensuring the health and safety at work of all our employees. We will carry out our activities in ways that do not risk the health and safety of others.**

All councillors and members of the Senior Leadership Team value our workforce and believe that, as a high performing council, health and safety at work must be managed as an integral part of our corporate management system. The leader and chief executive will ensure that the necessary resources are made available to deliver the aims of this policy.

Our aim is to adopt best practice in managing health and safety at work. This means having strong and effective health and safety leadership, good governance, a positive and improving safety culture, high and continuously improving standards of health and safety across all our activities and a workforce that is positively and actively involved in the health and safety effort. We believe all accidents are preventable and our ultimate target is to have no accidental work injuries.

### **To achieve this we will:**

- ensure our Senior Leadership Team provides effective leadership in health and safety that is visible and felt across all service areas;
- ensure high standards of employee competence at all levels and across all service areas;
- ensure effective communication about all aspects of health and safety at work;
- consult with, and secure the cooperation and involvement of, our workforce through their appointed safety representatives;
- provide and maintain effective arrangements for promoting a positive safety culture;
- planning and implementing continuous improvements to management arrangements, risk control systems, procedures and physical safeguards;
- maintain effective arrangements to monitor our health and safety performance and report and investigate health and safety performance failures;
- periodically audit the council's safety management system and review our health and safety performance and the operation of this policy. We will use the results of this to update the policy and, where necessary, improve the arrangements to implement it.

### **We believe that:**

- **All accidental injuries and harm are preventable.**
- **Nothing is so urgent that we cannot take the time to do it safely.**
- **We should never knowingly walk past an unsafe or unhealthy act or condition.**



**Huw Bowen – Chief Executive**  
22<sup>nd</sup> September 2015



**John Burrows – Council Leader**  
22<sup>nd</sup> September 2015

## **SECTION 2 - ORGANISATION FOR IMPLEMENTING THE POLICY**

### **1.0 ELECTED MEMBERS**

- 1.1 Elected Members, known generally as the Council are ultimately responsible for:
- 1.1.1 Meeting the employer's duties under the Health and Safety at Work etc Act 1974 and all associated legislation as they affect Council employees and others who may be affected by the Council's undertakings.
  - 1.1.2 Making resources available to fulfil the requirements of the relevant statutory provisions and the Council's Corporate Health and Safety Policy.
  - 1.1.3 Making suitable arrangements to ensure the implementation and administration of the Policy.
  - 1.1.4 Ensuring provision of appropriate health and safety advice and assistance for Members, the Chief Executive & Executive Directors, Service Managers and employees.
  - 1.1.5 Ensuring that responsibilities for health, safety and welfare are properly defined, assigned and accepted at all levels.
  - 1.1.6 Ensuring all liability is covered by insurance.
  - 1.1.7 Ensuring that health and safety issues are considered when making important decisions.
  - 1.1.8 Appointing from their number, a Council health & safety 'champion'.

### **2.0 THE LEADER OF THE COUNCIL**

- 2.1 The Leader of the Council, in conjunction with the Chief Executive, is ultimately responsible for health and safety compliance within the Council. The Leader of the Council will: -
- 2.1.1 Provide effective leadership and, in conjunction with the Chief Executive, take the lead in providing the necessary resources for implementing the policy.
  - 2.1.2 Take the lead in preparing and approving the three year corporate health and safety improvement plans, ensure they are implemented and monitor the progress of the implementation.

### **3.0 ELECTED MEMBER RESPONSIBLE FOR CHAMPIONING HEALTH & SAFETY**

- 3.1 The Elected Member designated the Council's 'champion' for health and safety will be responsible for: -
- 3.1.1 Advising Elected Members on their responsibilities as employers under the Health and Safety at Work, etc. Act 1974 and all associated legislation.
  - 3.1.2 Attending the Corporate Health & Safety Committee and advising on the review of the constitution of the Committee, as and when required.

- 3.1.3 Working in consultation with the Corporate Health and Safety Adviser and Employee Health & Safety Representatives in promoting health and safety across all Services and monitoring the implementation and effectiveness of the Council's health and safety management systems.

#### 4.0 **THE CHIEF EXECUTIVE**

- 4.1 The Chief Executive is ultimately responsible for health and safety compliance within the Council. The Chief Executive will: -
  - 4.1.1 Assign strategic health and safety responsibilities for the effective planning, organising, implementing, monitoring, reviewing and auditing of the Council's health and safety management systems and ensure that sufficient resources are available to support this.
  - 4.1.2 Provide effective leadership and, in conjunction with the Council Leader, take the lead in providing the necessary resources for implementing the policy.
  - 4.1.3 Take the lead in preparing and approving the three year corporate health and safety improvement plans, ensure they are implemented and monitor the progress of the implantation.
  - 4.1.4 Nominate an Executive Director to champion the continual improvement of the Council's health and safety performance through effective health and safety management systems.
  - 4.1.5 Ensure that all Executive Directors have the appropriate level of competence and resource to effectively manage health and safety.
  - 4.1.6 Discuss with each Service Manager progress towards achieving the health and safety elements of their Service Plans at their regular performance clinics.

#### 5.0 **SENIOR LEADERSHIP TEAM (SLT)**

- 5.1 **The Council's Senior Leadership Team consists of the Chief Executive and Executive Directors. Health and safety is managed as an integral part of the corporate management system. It is a management responsibility so that those who lead, manage and supervise the activities that give rise to health and safety risks are also responsible, and held accountable, for ensuring that those risks are properly managed and controlled. The responsibility, therefore, for health and safety rests with Executive Directors, Service Managers and Supervisors as appropriate. They are provided with specialist technical support, advice and assistance from the Corporate Health and Safety Unit.**

#### 6.0 **CORPORATE MANAGEMENT TEAM (CMT)**

- 6.1 The Corporate Management Team consists of 18 Core Service Managers and the Senior Leadership Team. It is the responsibility of CMT to advise on and approve the corporate health and safety policy and to monitor it's compliance within all Services as part of the Council's health & safety management system. CMT will: -
  - 6.1.1 Exercise their professional judgement and make sure, where necessary, health and safety matters are brought to the attention of Cabinet and, if necessary, full Council.



- 6.1.2 Accept their responsibilities to ensure the Council complies with its statutory duties under the Health and Safety at Work etc. Act 1974 and all related health and safety legislation.
- 6.1.3 Ensure that the objectives and targets of the 3 year Corporate Health & Safety Improvement Programme are fully implemented.

## 7.0 **SENIOR EXECUTIVE RESPONSIBLE FOR CHAMPIONING HEALTH & SAFETY**

### 7.1 **The Senior Executive designated the 'champion' for health and safety at CMT level will be responsible for: -**

- 7.1.1 Monitoring the implementation of the Council's corporate health and safety improvement plan within Service areas through regular updates on progress from the Senior Leadership Team to CMT meetings.
- 7.1.2 Encouraging the Corporate Management Team to treat health and safety as an integral part of their management systems and to translate the objectives and targets of the corporate health and safety improvement plan into particular objectives for inclusion in their Service Area and Team Plans and cascading these into personal performance objectives for individual managers and supervisors/team leaders.
- 7.1.3 Holding regular update meetings with the Corporate H&S Advisor and attending Health and Safety Committee meetings.
- 7.1.4 Reporting back to CMT, on key issues affecting the Council's overall health and safety performance.
- 7.1.5 Championing new initiatives designed to drive continual improvements in performance.

## 8.0 **CORE SERVICE MANAGERS**

### 8.1 **Core Service Managers are responsible and accountable for implementing this policy within their particular Service, for defining health and safety roles and responsibilities, and for allocating them to their managers.**

### 8.2 **Core Service Managers will : -**

- 8.2.1 Ensure that they prepare and implement suitable and sufficient service specific health & safety arrangements.
- 8.2.2 Ensure that their Service Managers are provided with the competence they require to discharge their health and safety responsibilities.
- 8.2.3 Be directly responsible for the health and safety within their Service areas and will ensure that delegated health and safety tasks are properly assigned and fulfilled.
- 8.2.4 Plan for adequate resources to meet the health and safety programme.
- 8.2.5 Ensure that suitable and sufficient risk assessments which cover all undertakings, workplaces and work activities of their Service areas are in place and then use the results to plan, prioritise and schedule the implementation of appropriate risk

control measures, or the improvement of those risk controls that already exist where risk assessment shows improvement to be necessary.

- 8.2.6 Ensure that all liability is covered by insurances.
- 8.2.7 Make arrangements to ensure that all items of plant, equipment, machinery and materials for general use and for protective purposes in particular, comply with the relevant approved Code of Practice or British/European Standards, or specific statutory provisions where appropriate.
- 8.2.8 Before any significant changes are introduced to workplaces or working practices, Service Managers must ensure a suitable and sufficient assessment of the risks presented by such changes has been undertaken. This would include such changes as:
- Procuring new premises, plant or equipment;
  - The disposal of premises, plant and equipment;
  - Procuring contractors and/or agency staff;
  - Planning organisational changes such as Service re-structures;
  - The provision of, or removal of, services to the public.
- 8.2.9 Adequate arrangements must then be formulated to deal with any aspect that may affect the health and safety of any person, before any such changes are implemented.
- 8.2.10 Ensure that adequate standards of health and safety are established before employees carry out their authorised duties, and that employees under their control are provided with the necessary information, instruction, and training on risks to their health and safety, risk controls and safe systems of work before they are permitted to carry out those duties.
- 8.2.11 Be responsible for ensuring all necessary action to remove any unacceptable risk to health or safety within their sphere of managerial responsibility is taken.
- 8.2.12 Where works are required within a Core Service Manager's sphere of managerial responsibility, for which there is no delegated authority, he/she shall immediately:-
- (a) Endeavour to isolate the source of the risk from any person who may be affected thereby.
  - (b) Prepare a report for the appropriate Committee, indicating the nature of the hazard; the remedial works required; and an estimate of the cost involved.
- 8.2.13 Where two or more Service Areas share workplace premises, the Core Service Manager of the Service being the principal occupier shall assume health and safety responsibilities for the premises as a whole, in consultation and with the co-operation of the other relevant Core Service Managers.
- 8.2.14 Ensure all buildings, plant and equipment under their control is maintained in a safe condition and in full compliance with any specific legal requirement relating to them.

- 8.2.15 Ensure that health and safety rules and procedures are understood, complied with and prominently displayed or made available for inspection by employees as appropriate, and that all safety information appertaining to their Service area is distributed to the relevant personnel.
- 8.2.16 Take such measures as are reasonable for the protection of persons not employed by the Council but in premises controlled or occupied by the Council. Or exposed to risks arising from the Council's undertakings wherever such activities take place (i.e. not limited to just within premises)
- 8.2.17 Ensure close liaison with the Corporate Safety Unit and Employee Safety Representatives.
- 8.2.18 Attend or be represented at any inspection carried out by the Health and Safety Executive.
- 8.2.19 Ensure that all accidents, incidents, near misses, dangerous occurrences acts of violence and abuse and cases of work related ill health are reported to, and investigated by, the relevant Service manager and recorded.
- 8.2.20 Provide the Chief Executive with any information requested to monitor and evaluate safety performance including that required as part of any procedural arrangement introduced by the Council to implement any item of health and safety legislation.
- 8.2.21 Where contractors are engaged to undertake any tasks within their Service areas, shall request, prior to the engagement of the Contractor, details of their system of work for the task. (For further information on the management of contractors see the intranet page entitled 'Control of Contractors').
- 8.2.22 Before work commences an assessment of the adequacy of such Safe Systems of Work must be made by the Core Service Manager, his/her representative after having taken advice from the Council's Corporate Safety Unit.

## 9.0 **SERVICE MANAGERS**

- 9.1 Service managers are responsible and accountable to their Core Service Managers for complying with this policy within their Service areas.
- 9.2 Service Managers will: -
- 9.2.1 Familiarise themselves with the Council's Corporate Health and Safety Policy, and its implications for their particular activities in relation to the groups of employees immediately under their control.
- 9.2.2 Understand and comply with the Health and Safety at Work etc. Act 1974 and all related health and safety legislation.
- 9.2.3 Ensure that suitable and sufficient risk assessments which cover all undertakings, workplaces and work activities of their Service area are in place and then use the results to plan, prioritise and schedule the implementation of appropriate risk control measures, or the improvement of those risk controls that already exist

where risk assessment shows improvement to be necessary.

- 9.2.4 Ensure that all subordinates who have been delegated specific health and safety duties (e.g. undertaking risk assessments) are trained to a nationally recognised standard to ensure their competency in undertaking such duties.
- 9.2.5 Ensure that any existing or new articles, substances etc. held within their areas of responsibility are safe and supported by adequate information and instruction for their use.
- 9.2.6 Provide arrangements for ensuring that employees under their responsibility are equally informed, instructed and trained in using such articles, substances etc., before actual use.
- 9.2.7 Ensure that all employees under their control are adequately trained and fully aware of any risks associated with any of the Service area's activities and that they are trained in the risk controls and safe systems of work.
- 9.2.8 Ensure that employees are adequately supervised as required particularly where inexperienced workers are concerned.
- 9.2.9 Ensure that appropriate protective clothing and equipment for employees under their control is provided and that adequate supervision is available at all times.
- 9.2.10 Ensure that written safe working practices are prepared, implemented and regularly reviewed.
- 9.2.11 Ensure that Joint Safety Inspections are carried out on a regular basis by a management representative and employee safety representative of all Service areas to discern whether the safety policy is effective and that hazards and risks to health are controlled. Also, that observations resulting from inspections are available to supervisors and safety representatives.
- 9.2.12 Where the Service engages in safety critical procedures (heavy lifting, felling trees, entry into confined spaces, hot work, etc), ensure that checks/task observations to confirm that the specified safe systems of work are being followed in practice are carried out.
- 9.2.13 Ensure their Core Service Manager is kept informed of risks to health and safety which they have knowledge of.
- 9.2.14 Investigate and complete accident report forms as necessary and in line with the Council's procedures.
- 9.2.15 Liaise with the Council's Corporate Safety Unit and Safety Representatives on all matters affecting the health and safety of persons at work.
- 9.2.16 Maintain all statutory documents affecting their area of responsibility.
- 9.2.17 Ensure their specific responsibilities for health and safety are adequately delegated in their absence.

- 9.2.18 Ensure that all employees under their control know what to do in case of emergency (e.g. Fire, accident, dangerous occurrences, first aid, bomb alert and evacuation of premises).
- 9.2.19 Maintain individual employee records of health and safety training courses attended.
- 9.2.20 Ensure that any events they have organised as the Council's agent are co-ordinated and managed in accordance with the Council's policies and procedures and in line with current legislation.
- 9.2.21 Ensure that health and safety is a standing item on Section/Team meetings and that the minutes of the meeting are recorded.
- 9.2.22 When nominated by their Core Service Manager, attend and take an active part in quarterly meetings of the Council's Health and Safety Committee.

## 10.0 **SUPERVISORS**

- 10.1** Supervisors are responsible and accountable to their line manager for achieving compliance with this policy within their area of service delivery.
- 10.2** Supervisors will: -
- 10.2.1 Ensure the corporate health and safety policy and Service health & safety arrangements are fully implemented and complied with.
- 10.2.2 Ensure that employees under their supervision are aware of and fulfil their safety responsibilities and, where necessary, to arrange with their Service manager for appropriate training to enable employees to carry out their duties competently.
- 10.2.3 Ensure that work activities are performed according to established safe working procedures, paying particular attention to highlighting any significant hazards involved with the work activity including the precautions necessary to avoid them.
- 10.2.4 Ensure that appropriate equipment, tools and materials are available to undertake the work safely and that they are maintained in a safe condition;
- 10.2.5 Take necessary action to rectify any unsafe situation relating to equipment, tools, working procedures or unsafe actions by individuals, and report to their manager any that cannot be dealt with personally.
- 10.2.6 Maintain a high level of house-keeping and tidiness in the work area.
- 10.2.7 Where necessary, carrying out daily inspections/checks (including where required the completion of the relevant records) of the work areas to ensure that plant, equipment, tools etc., are in a safe condition.
- 10.2.8 In consultation with their Service Manager, investigate all accidents, incidents and dangerous occurrences in accordance with legislation and the accident reporting procedure.
- 10.2.9 Ensure that they have regular, (at least monthly), toolbox talks with their staff and that health and safety is a standard agenda item on all toolbox talks.

10.2.10 Ensure that protective clothing and equipment is worn, correctly used, maintained and replaced as required and that Service area rules and procedures are followed.

10.2.11 Ensure (by frequent inspection) that all machinery and equipment is properly maintained and safe to use and that all safety devices are always fitted where necessary and properly adjusted or maintained.

## 11.0 **EMPLOYEES**

**11.1** All employees are required to co-operate with the Council on all aspects of health and safety to ensure compliance with legal requirements, with particular regard to the Health and Safety at Work etc. Act 1974 Sections 7 and 8 and the Management of Health and Safety at Work Regulations, Regulation 14.

**11.2** Employees will: -

11.2.1 Carry out their duties in compliance with the information, instruction and training given, following agreed risk assessments and safe methods of working.

11.2.2 Not intentionally or recklessly interfere with or misuse anything provided in the interests of safety, health or wellbeing, or to do anything likely to endanger themselves or others.

11.2.3 Use tools, equipment and materials provided for their intended use only, in accordance with the information, instruction and training they have been given, ensuring that damaged faulty equipment is not used and reported to their Supervisor/line manager.

11.2.4 Through regular meetings, cooperate with managers in identifying any training needs, including updates and refresher training.

11.2.5 Report all accidents, near misses, and any unsafe practices or conditions to their supervisor/line manager.

11.2.6 Conform to all instructions given by the Chief Executive, Executive Director, Service Manager or other persons who are responsible for their health and safety.

11.2.7 Report all hazards and defects to their Supervisor where applicable by means of the Council's hazard report procedure.

11.2.8 Where there is an imminent risk of harm to health or safety, to stop work activities immediately, report the risk to their line manager and ensure the risk has been suitably controlled before re-commencing work.

11.2.9 Participate in improving health and safety performance in the work place.

11.2.10 Afford assistance to visitors, making them aware of hazards and protecting them accordingly. In the event of emergency, employees should guide visitors to a place of safety immediately.

## 12.0 **SAFETY REPRESENTATIVES**

**12.1** In addition to their responsibilities under Sections 7 and 8 of the Health and Safety at Work etc. Act 1974, safety representatives should: -

- 12.1.1 Report in writing to the appropriate supervisor any unsafe or hazardous conditions.
- 12.1.2 Liaise with the appropriate supervisor and Corporate Safety Adviser in accident and plant inspections.
- 12.1.3 When requested, attend Consultative Meetings, and pass on information gained to the employees concerned.
- 12.1.4 Whenever possible promote safe working practices among employees.
- 12.1.5 Advise their Service Manager whenever there is cause to leave their employment for Safety Representative Duties.
- 12.1.6 To discuss safety matters with their Service Manager and strive to resolve problems at the earliest opportunity.
- 12.1.7 In consultation with delegated management representatives, prepare a programme of Planned Joint Safety Inspections of Workplaces within their areas of responsibility and undertake inspections with the management representative.
- 12.1.8 Participate in investigations into the causes of accidents, near misses and cases of occupational ill health.

### 13.0 **CORPORATE HEALTH AND SAFETY ADVISER**

- 13.1 The Corporate Health and Safety Adviser will be responsible and accountable to the Senior Executive designated the 'champion' for health and safety for providing an advisory service to the Chief Executive, Senior Executives, Core Service Managers, Service managers and all Service areas and to develop new and improved policies, and strategies for all aspects of health and safety.
- 13.2 Adequate resources shall be made available to enable the Health and Safety Adviser and Assistant Health and Safety Adviser to regularly update their knowledge of health and safety legislation and practice, in order to ensure the effectiveness and accuracy of such advice in line with the requirements of Regulation 7 of the Management of Health and Safety at Work Regulations 1999.
- 13.3 Specific responsibilities include:-
  - 13.3.1 Provision of appropriate safety records and statistics.
  - 13.3.2 Investigating the cause of certain accidents or dangerous occurrences and recommend means to prevent recurrence.
  - 13.3.3 Recording and analysing information concerning injuries, and accident trends, and keep under review overall safety performances.
  - 13.3.4 Liaison with the Health and Safety Executive on behalf of the authority.
  - 13.3.5 To keep up-to-date with legislation, codes of practice, latest developments in the health and safety field including technological and management systems developments and new safety literature, and circulate information.
  - 13.3.6 Liaison with Safety Representatives.

13.3.7 Undertaking internal audits of the Council's safety management systems and arranging for external audits of those systems where required.

13.4 Inspecting workplaces and activities in response to issues that might arise from time to time, such as a major accident or incident, a complaint raised by a member of the public or an employee or a reported difficult technical problem. The respective Core Service Manager, their Service Manager and their employees will afford full assistance in this task. Where the Corporate Safety Adviser is of the opinion that there is an imminent risk of serious personal injury arising from any Council activity, s/he shall: -

13.4.1 Issue formal instructions on site to isolate the source of risk from any person who may be involved.

13.4.2 Immediately advise the appropriate Executive Director or Chief Executive of any action taken on site and of any further recommendations.

13.4.3 As soon as is practicable report the incident to the Chief Executive.

13.4.4 Exercise his/her authority to stop any activities that are considered to cause imminent danger.

14.0 **ALL OTHER PERSONS ON THE COUNCIL'S PREMISES I.E. CONTRACTORS, SUB-CONTRACTORS, OR MEMBERS OF THE PUBLIC**

14.1 All other persons shall observe the Council's Corporate Health and Safety Policy and instructions given by Officers responsible for enforcing the policy.

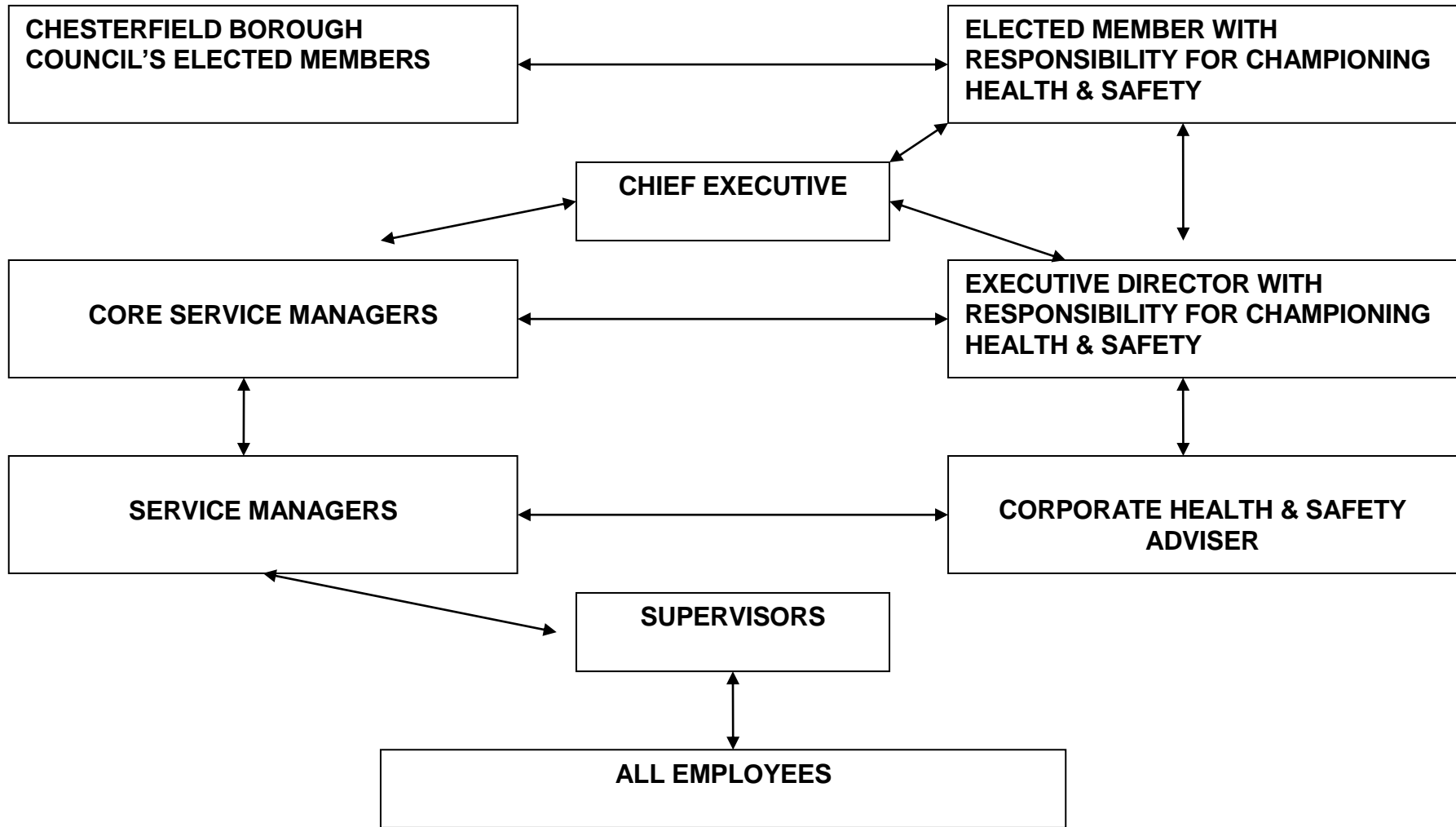
14.2 Contractors shall not commence work on Council premises, land or a structure until the Council's Client Officer for the contract is satisfied that all health and safety arrangements are satisfactory.

14.3 Contractors undertaking work on Council premises, land or structures must undertake all work in accordance with the Health and Safety at Work etc. Act 1974, and when the Contractor employs 5 or more employees, the Contractor's own Safety Policy must be lodged with the Council. If the Contractor has less than 5 employees, work must automatically be carried out in accordance with the Council's Corporate Health and Safety Policy.

14.4 Contractors shall not commence work on Council premises, land or structures unless covered by appropriate insurance.



ORGANISATIONAL CHART – TIERS OF RESPONSIBILITY AND LINES OF COMMUNICATION



## **SECTION 3 – GENERAL ARRANGEMENTS FOR IMPLEMENTING THE POLICY**

### **1.0 INTRODUCTION**

- 1.1 The following general arrangements form a key component of the Council's overall health and safety management system. In addition to this information, each Service area holds specific health and safety information and local arrangements pertinent to the work activities undertaken within that Service area.
- 1.2 The Corporate Health and Safety Unit has produced a number of Codes of Practice which complement the corporate health and safety policy by providing additional supporting information. These Codes of Practice are available on the Council's intranet health and safety pages. These documents will be subject to regular reviews.
- 1.3 Where Codes of Practice have undergone a review, they will be subject to the consultation process before final approval by CMT and/or Cabinet as necessary.
- 1.4 Additional health & safety documents will be available in the 'Health & Safety Index' pages on the Council's intranet site and forwarded to Core Service Managers and Service Managers who are responsible for bringing relevant information to the attention of their Supervisors and employees.
- 1.5 Managers will also, as soon as reasonably practicable, bring the Council's health and safety policy statement to the attention of all employees upon successful appointment with the Council.

### **2.0 GENERAL ARRANGEMENTS**

- 2.1 Detailed below are general arrangements covering key aspects of the Council's overall safety management system. It is the responsibility of individual Services to draw up and implement their own local arrangements and procedures for achieving these standards.
- 2.2 These general arrangements specify what is to be achieved in general terms, whereas it is left to the individual Service to determine how to achieve it through their local arrangements and procedures and/or through the Codes of Practice and other health & safety procedures and guidance notes listed on the 'Health & Safety Index'.
- 2.3 Service areas will be monitored through inspection and audit to ensure that the requirements of the Codes of Practice are being met.

### **3.0 ACCIDENT/INCIDENT REPORTING & INVESTIGATION**

- 3.1 Service Managers will be responsible for ensuring that all accident and incidents that occur within their areas or responsibility are reported, fully investigated, and recorded on the Council's incident database (the SHE ASSURE incident reporting system).
- 3.2 Service Managers will also be responsible for ensuring that accidents or incidents falling under the criteria of the Reporting of Injuries, Diseases & Dangerous Occurrences Regulations, (RIDDOR), are reported to the Health & Safety Executives, (HSE), Incident Contact Centre as soon as possible. They should also ensure that RIDDOR reported incidents are brought to the immediate attention of the Corporate Health and Safety Adviser and their Core Service Manager.

3.3 It is the responsibility of each Service to monitor accident statistics through their management team meetings and to bring the statistics to the attention of the Health and Safety Committee.

3.4 The Safety Unit will prepare and present, quarterly, to the Health and Safety Committee, accident statistics from all Services in a corporate report so that accident performance can be appropriately reviewed.

#### 4.0 **ASBESTOS MANAGEMENT**

4.1 The Council will ensure that adequate arrangements are in place to safely manage asbestos across the whole of its property portfolio.

4.2 Service Managers will ensure all employees are made aware of these arrangements and that they receive sufficient information, instruction and training as is appropriate to their level of responsibility and the duties they are required to undertake.

4.3 Facilities Maintenance and relevant Service Managers will ensure that contractors undertaking work on Council premises are aware of the Council's arrangements for managing asbestos and that the contractors' responsibilities are clarified in the Pre-Tender Contract Documents.

#### 5.0 **HEALTH AND SAFETY AUDITING**

5.1 In order to effectively and efficiently maintain and develop the Council's ability to manage health and safety in all its undertakings, all policies, procedures, controls and safety performance must be regularly monitored. Methods to achieve this will include annual health and safety audits of Council Services undertaken by a health & safety audit team under the guidance of the Health & Safety Unit.

5.2 The principle behind the audit will be to assess health and safety management within Service Areas against legal compliance, HSG 65 and the Council's own policies, procedures, and safe systems of work.

#### 6.0 **CONTROL OF CONTRACTORS**

6.1 When procuring contracts involving construction and allied activities, the Council will ensure tendering contractors and consultants are registered with a Safety Schemes in Procurement (SSIP) scheme.

6.2 Before commencing any work for the Council, the contractor's health and safety documentation will be assessed to an agreed standard so as to establish if the contractor has made adequate arrangements for health and safety, in accordance with the requirements of relevant legislation.

6.3 For higher risk work the Council's Client Officer will visit the contractor's headquarters, interview executives and managers and observe their employees at work.

6.4 Core Service Managers, through their appointed project management teams, are responsible for monitoring the health and safety performance of the contractors and consultants they appoint. This should include regular site safety inspections and any areas of concern should be brought to the attention of the site manager and the project manager/administrator responsible for confirming that the required remedial action has been taken.

## **7.0 CORPORATE HEALTH AND SAFETY IMPROVEMENT PLAN**

- 7.1 The Senior Leadership Team, together with the Corporate Management Team will, under the guidance of the Council's health and safety 'champions' and the Corporate Health and Safety Unit, prepare, resource and deliver a corporate health and safety improvement plan.
- 7.2 The plan will set out strategic aims and objectives, including annual targets for improving the Council's overall health and safety performance in the medium term. The broad, corporate level objectives of the plan shall be cascaded into specific SMART actions within each Services Service Plan and, as appropriate, into individual Team Plans and personal performance objectives.
- 7.3 Achievement will be managed through the Council's performance management system with progress reported regularly by Core Service Managers to the meetings of the Corporate Management Team and the Corporate Health and Safety Committee.
- 7.4 The Corporate health and safety improvement plan will be prepared every three years, with annual reviews undertaken to ensure any necessary adjustments are made accordingly.
- 7.5 The aim of the corporate health and safety improvement plan is to demonstrate the Council's policy commitment to continuous improvement in health and safety performance.

## **8.0 DISPLAY SCREEN EQUIPMENT**

- 8.1 Service Managers will ensure DSE risk assessments are undertaken, where required, within their areas of responsibility and that appropriate control measure are in place to prevent harm to DSE users.

## **9.0 DRIVING FOR WORK**

- 9.1 The Council will ensure that adequate arrangements are in place to manage the risks and hazards likely to be experienced by employees trained to drive Council vehicles and the risks and hazards likely to be experienced by employees who drive their own vehicles on Council business.
- 9.2 Service Managers will ensure that suitable and sufficient risk assessments have been prepared to cover all driving to work issues within their Service area and that appropriate safe systems of work are in place.

## **10.0 DRUGS, ALCOHOL AND SUBSTANCE USE AND ABUSE**

- 10.1 Core Service Managers, through their managers and supervisors will ensure all reasonably practicable steps are taken to ensure that employees, and any other person who could be affected, are protected from the health and safety risks which may be caused by employees who are unfit to work due to the consumption of alcohol or drugs or the effect of other substances.

## **11.0 ELECTRICAL SAFETY**

- 11.1 The Council will ensure that adequate arrangements are in place to manage electrical safety within its workplaces and premises.

11.2 Service Managers will ensure arrangements are in place for the regular inspection and testing of electrical equipment and installations within their areas of responsibility.

11.3 Service Managers will also ensure that records of electrical maintenance and testing are kept and available for inspection.

## **12.0 FIRE SAFETY AND BOMB THREAT**

12.1 The Council will ensure that adequate arrangements are in place to manage fire safety and bomb threats within its premises.

12.2 Premise managers will put in place arrangements that will ensure all employees and visitors know how to access and egress the premises.

12.3 Contractors will also be made aware of these arrangements and safe evacuation must never be compromised by maintenance or building work.

12.4 Premise managers will ensure their premises have an up to date fire risk assessment and that it is revised at least once every two years.

12.5 Where the fire risk assessment indicates that improvements are required, the premise manager will ensure the improvements are implemented within the recommended timescales.

12.6 Premise managers will ensure clear and concise emergency procedures for use in the event of a fire or bomb threat are prepared, displayed and communicated to all employees and visitors.

12.7 Premise managers will prepare procedures for employees who take on key roles, (e.g. Fire Wardens), and ensure these employees receive suitable training to undertake these roles effectively.

12.8 Premise managers will monitor the maintenance and testing of fire safety systems to ensure they are carried out within the timescales that meet legal requirements.

12.9 Premise managers will ensure fire drills are carried out at least once every six months.

## **13.0 FIRST AID**

13.1 Service Managers will ensure an assessment of first-aid needs is carried out that covers all their areas of responsibility. This would include first aid boxes and equipment as well as first aid trained personnel.

13.2 Although the Council only has a legal duty to provide first aid to employees at work, it also has a moral obligation to extend this provision to members of the public on Council premises. Therefore, when considering the first aid requirements for their areas of responsibility, Service Managers should also consider the number of members of the public likely to be in or on their premises at any one time.

## **14.0 HAZARDOUS SUBSTANCES**

14.1 The Council will ensure that adequate arrangements are in place to safely manage any hazardous substances present in Council workplaces or premises that may affect employees or others.

14.2 Service managers will ensure that all hazardous substances used within the workplaces and premises they are responsible for have been suitably and sufficiently assessed and that adequate control measures have been implemented to prevent harm.

14.3 Service Managers, through their appointed Supervisors, will ensure that documented assessments, as required by the Control of Substances Hazardous to Health (COSHH) Regulations, and Material Safety Data Sheets (MSDS) are brought to the attention of all employees who use or could be affected by the hazardous substances present on site.

#### 15.0 **HOMEWORKING**

15.1 Where an employee is required to habitually work at home, their line manager will ensure that a suitable risk assessment has been prepared that covers the activities the employee will be undertaking, the environment in which the employee will be working and any equipment or hazardous substances the employee will be required to use in order to complete their tasks.

15.2 Where required, the line manager will also ensure that appropriate safe systems of work are in place.

#### 16.0 **LONE WORKING**

16.1 Where employees are required to work alone, Service Managers will ensure that a suitable risk assessment has been prepared that covers the activities the employee will be undertaking, the environment in which the employee will be working, and any equipment or hazardous substances the employee will be required to use in order to complete their tasks.

16.2 Service Managers will also ensure that appropriate safe systems of work are in place, including communication arrangements and a procedure to follow in the event of an emergency.

#### 17.0 **MANUAL HANDLING**

17.1 So far as is reasonably practicable, manual handling activities which carry the risk of injury should be avoided. Wherever possible, the task should be re-designed to include the use of mechanical lifting aids or mechanisation of the task.

17.2 Where this cannot be achieved, the risk of injury should be assessed and such measures as are required to control the risk to a reasonable level should be implemented. A risk assessment should identify the precautions required to reduce the risk to the lowest level reasonably practicable.

#### 18.0 **NEW AND EXPECTANT MOTHERS**

18.1 Service Managers should take account new and expectant mothers when carrying out risk assessment and take action to ensure that they are not exposed to any significant risk. Risks include those to the unborn child or child of a woman who is still breastfeeding – not just risks to the mother herself.

18.2 Where the risk assessment identifies risks to new and expectant mothers and these risks cannot be avoided by the control measures in place, the manager will need to consult the individual to either alter her working conditions or hours of work, if it is reasonable to do so

and would avoid the risks, or identify and offer suitable alternative work or withdraw her from work.

## 19.0 **RISK ASSESSMENT**

19.1 Service Managers will ensure that suitable and sufficient risk assessments are in place for all the premises and activities for which they have responsibility, and that they are revised regularly to ensure they remain relevant.

19.2 Service Managers will ensure that adequate control measures are introduced to manage the identified risks in a safe manner.

## 20.0 **HEALTH & SAFETY TRAINING**

20.1 The Council will ensure appropriate resources are available to provide necessary information, instruction and training to all employees to enable them to do their work competently in a safe and efficient manner.

20.2 The Council will ensure health and safety training is incorporated into all employees training and development programme.

20.3 With regard to corporate health and safety training arranged by the Health & Safety Unit, each Service will implement an appropriate system to identify the health and safety training needs of its employees and provide the Health and Safety Unit with a list of candidates for training on an annual basis.

20.4 With regard to job specific training, Service Managers are responsible for identifying individual training needs and for ensuring these training needs are met within a reasonable timescale. Where safety critical training is required to undertake certain tasks, Service Managers are responsible for ensuring that individuals do not undertake identified safety critical tasks until they have received appropriate training and are deemed competent to undertake these tasks safely.

## 21.0 **SAFETY INSPECTIONS**

21.1 Service Managers will ensure that safety inspections of the Council workplaces and premises they are responsible for are undertaken at regularly intervals, relevant to the level of risk. Where deficiencies are found, the cause should be investigated and appropriate remedial action taken to ensure relevant risk assessments and safe systems of work are complied with. The results of these safety inspections should be recorded and brought to the attention of employees and employee safety representatives.

21.2 Core Service Managers should provide summaries of the outcomes of safety inspections to Safety Committee as evidence of progress towards meeting the objectives and targets of the Corporate Health and Safety Improvement Programme.

21.3 Employee safety representatives have a statutory right to undertake safety inspections at least once every three months. It has been approved by the Council's Health and Safety Committee for these inspections to be carried out jointly between an employee safety representative and a management representative. In workplaces where the level of risk is considered to be low, (e.g. office areas), and there is agreement between both parties, joint safety inspections can be undertaken every six months rather than every three.

21.4 The agreement mentioned above, however, should not prevent employee safety representatives from carrying out independent inspections, following a reasonable request to management.

## **22.0 STATUTORY INSPECTIONS & EXAMINATIONS OF PREMISES, PLANT & EQUIPMENT**

22.1 The Council will ensure appropriate arrangements are in place and that contracts are established for statutory inspections and examinations of buildings, plant and work equipment, (e.g. Legionella, gas safety, lifting equipment, etc), to be carried out by competent persons who will prepare and provide appropriate documentation as evidence that such inspections and examinations have been undertaken.

22.2 The management of these inspections and examinations may be undertaken by Facilities Maintenance Services. However, Core Service Managers are ultimately responsible and will ensure that their managers have adequate arrangements in place for ensuring that such inspections and examinations are undertaken.

## **23.0 STRESS MANAGEMENT**

23.1 Core Service Managers, through their managers, will ensure that all employees within their Service have undergone a stress risk assessment and that appropriate control measures are in place to prevent work-related stress and to minimise the effect of stress on their staff. Where the assessment identifies deficiencies, an appropriate action plan will be prepared detailing the remedial measures required to address the deficiencies, with timescales set for implementation.

23.2 Any employee diagnosed as suffering from work-related stress will be given appropriate support from his management team and will be encouraged to take advantage of the help available through the Council's Occupational Health Service provider. The causes of work-related stress will be investigated and measures put in place to reduce the risk of it occurring in the same way in future.

23.3 Further advice and information on stress is available in the Council's Managing Stress Policy which is available on the Council's Intranet site or through Human Resources.

## **24.0 YOUNG PERSONS AT WORK**

24.1 Before young persons and children on work placement schemes start work at the Council, the Service Manager under whose charge they will be will ensure appropriate and specific risk assessments are undertaken and that they consider all the hazards specific to young persons.

24.2 Where children on work placement schemes are to be introduced into the workplace, their parents/guardians must be provided with information detailed in the risk assessment regarding the risks they are likely to be exposed to and the control measures in place to protect them from these risks.

24.3 The risk assessment may determine that young persons should be prohibited from certain work activities, except where they are over the minimum school leaving age and it is necessary for their training. In such cases, risk must be reduced so far as is reasonably practicable and a competent person must be designated for their welfare and supervision.

24.4 If a significant risk remains despite your best efforts to do what is reasonably practical to



control them, young persons should not be employed to work where these significant risks exist.

## 25.0 **SUPPORTING SAFETY PROCEDURES, GUIDANCE NOTES AND CODES OF PRACTICE**

25.1 As part of the Council's health and safety management system, a number of safety documents have been produced covering a number of topics. These documents are designed to assist managers in achieving health and safety compliance across all areas of service delivery, and support the implementation of this policy in achieving compliance with current legislation.

25.2 Managers are responsible for ensuring that all safety documents relevant to their areas of responsibility are fully implemented and complied with. These documents can be found within the Health and Safety section of the Council's intranet site. Advice on all health and safety matters can also be obtained by contacting the Council's Health & Safety Unit.

25.3 Contact details:

Marc Jasinski, Corporate Health & Safety Adviser

Telephone: 01246 34 5297

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

David Johnson, Assistant Corporate Health & Safety Adviser

Telephone: 01246 34 5296

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

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**EQUALITY IMPACT ASSESSMENT ON**  
**THE CORPORATE HEALTH AND SAFETY POLICY**

- 1.0 The policy has been prepared to ensure the Council meets its legal duty to protect the health, safety and welfare of all its employees and the health and safety of any other person who may be affected by its undertakings.
- 2.0 There are specific arrangements within the policy to protect more vulnerable groups within the workplace (e.g. new and expectant mothers and young persons).
- 3.0 Risk assessments must be undertaken to cover all workplaces and work activities to identify the hazards to health and safety and to identify the control measures required to reduce the risk of these hazards actually causing harm. The risk assessment process should identify where certain groups may be at greater risk (e.g. blind people, deaf people, physically disabled people, new and expectant mothers, young people, etc.) and ensure reasonable adjustments have been made to ensure the control measures protect all, including minority groups.
- 4.0 The policy treats all persons with equal respect, regardless of gender or ethnicity. In some cases, exemptions have to be made in certain regulations in respect of religious beliefs (e.g. Sikhs are exempt from wearing head protection on construction sites only when wearing a turban).
- 5.0 Special attention is paid to ensure disabled people are adequately protected when preparing health and safety arrangements, particularly emergency procedures.
- 6.0 The conclusions made in this assessment are based on the following evidence sources:
  - Briefing sessions with employees.
  - Other local authority policies and protocols
  - Advice from the Council's Policy & Equalities Section.
- 7.0 The policy is revised every two years to ensure continuous improvement and to ensure it remains up to date with current legislation. The Council's Equalities Officer is consulted during the revision process for advice on any equality issues that may arise.

M. Jasinski

Corporate Safety Adviser

Chesterfield Borough Council

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**Chesterfield Borough Council**

**Equality Impact Assessment - Full Assessment Form**

Service Area: Business Transformation  
Section: Health and Safety  
Lead Officer: Marc Jasinski

Title of the policy, project, service, function or strategy the preliminary EIA is being produced for: Corporate Health and Safety Policy

Is the policy, project, service, function or strategy:  
Existing   
Changed   
New/Proposed

**STEP 1 – MAKE SURE YOU HAVE CLEAR AIMS AND OBJECTIVES**

What is the aim of the policy, project, service, function or strategy?

The Policy has been prepared to ensure that the Council meets its Legal duty to protect the health, safety and welfare of all its employees and the health and safety of any other person who may be affected by it undertakings.

Who is the policy, project, service, function or strategy going to benefit and how?

The Policy benefits all employees of Chesterfield Borough Council and those using the services we provide.

What outcomes do you want to achieve?

That all Chesterfield Borough Council employees are able to work in a safe environment with risks managed to avoid health and safety hazards.  
  
That all people who use or come into contact with Chesterfield Borough Council services and facilities are able to access these services safely and are not exposed to health and safety hazards.

Q3 - Thinking about each group below, does, or could the policy, project, service, function or strategy have an impact on members of the equality groups below?

Risks to health and safety are mitigated as far as possible however there are sometimes circumstances which are unknown or cannot be fully mitigated e.g. protective gloves may not always prevent stick injuries etc.

**STEP 2 – COLLECTING YOUR INFORMATION**

What existing data sources do you have to assess the impact of the policy, project, service, function or strategy?

- Issues raised at employee briefing sessions.
- Records from the accident reporting system.
- Issues raised via line managers, EPD’s, employee surveys, employee focus groups, section meetings etc.
- Issues raised during conversations with line managers and/or the Policy Section regarding disability or long-term health conditions reasonable adjustments.
- Health and safety risk assessments.

**STEP 3 – FURTHER ENGAGEMENT ACTIVITIES**

Please list any additional engagement activities undertaken to complete this EIA e.g. met with the Equalities Advisory Group, local BME groups, Employee representatives etc. Could you also please summarise the main findings.

Date	Engagement Activity	Main findings
		No further engagement undertaken.

**STEP 4 – WHAT’S THE IMPACT?**

Is there an impact (positive or negative) on some groups/people with protected characteristics in the community? (think about race, disability, age, gender, religion or belief, sexual orientation and other socially excluded communities or groups). You may also need to think about sub groups within each equalities group or protected characteristics e.g. older women, younger men, disabled women etc.

Please describe the potential impacts both positive and negative and any action we are able to take to reduce negative impacts or enhance the positive impacts.

Group or Protected Characteristic	Positive impacts	Negative impacts	Action
Age – including older people and younger people.	The policy includes sections on risk assessments Age is considered as part of this process.	N/A	All services to ensure appropriate risk assessments are undertaken.
Disabled people – physical, mental and sensory including learning disabled people and people living with HIV/Aids and cancer.	Specific arrangements within the policy have been developed to protect disabled people; this includes the emergency evacuation procedures and reasonable	N/A	All services to ensure appropriate risk assessments are undertaken.  All services to ensure appropriate reasonable adjustments and

	adjustments. The policy includes sections on risk assessments Disability is considered as part of this process.		emergency evacuation procedures are managed and maintained for all employees with specific needs.
Gender – men, women and transgender.	The policy includes sections on risk assessments Gender is considered as part of this process.	N/A	All services to ensure appropriate risk assessments are undertaken.
Marital status including civil partnership.	N/A	N/A	N/A
Pregnant women and people on maternity/paternity. Also consider breastfeeding mothers.	Risk assessments are undertaken for all expectant mothers and reasonable adjustments made as appropriate.	N/A	All services to ensure appropriate risk assessments are undertaken.
Sexual Orientation – Heterosexual, Lesbian, gay men and bi-sexual people.	The policy includes sections on risk assessments sexual orientation is considered as part of this process.	N/A	The policy includes sections on risk assessments Gender is considered as part of this process.
Ethnic Groups	The policy includes sections on risk assessments ethnicity is considered as part of this process.	N/A	The policy includes sections on risk assessments. Ethnicity is considered as part of this process.
Religions and Beliefs including those with no religion and/or beliefs.	The policy includes sections on risk assessments Religion is considered as part of this process.	N/A	In some cases, exemptions have to be made in certain regulations in respect of religious beliefs (e.g. Sikhs are exempt from wearing head protection on construction sites only when wearing a turban). These issues should be discussed with the Health and Safety Advisor.

From the information gathered above does the policy, project, service, function or strategy directly or indirectly discriminate against any particular group or protected characteristic?

Yes   
No

If yes what action can be taken to stop the discrimination?

## **STEP 5 – RECOMMENDATIONS AND DECISION MAKING**

How has the EIA helped to shape the policy, project, service, function or strategy or affected the recommendation or decision?

The EIA has helped to shape various parts of the Policy, particularly relating to emergency procedures for disabled people. The consultation with employees and managers through this process has helped to ensure that appropriate steps are being taken to ensure the health and safety of all employees.

How are you going to monitor the policy, project, service, function or strategy, how often and who will be responsible?

The policy is revised every two years to ensure continuous improvement and to ensure it remains up to date with current legislation. The review will include further consultation with employees, managers and employee representatives.

## **STEP 6 – KNOWLEDGE MANAGEMENT AND PUBLICATION**

Please note the draft EIA should be reviewed by the appropriate Service Manager and the Policy Service before WBR, Lead Member, Cabinet, Council reports are produced.

### Reviewed by Service Manager

Name: Karen Brown

Date: 24.08.15

### Reviewed by Policy Service

Name: Donna Reddish

Date: 24.08.15

Final version of the EIA sent to the Policy Service

Decision information sent to the Policy Service



## FOR PUBLICATION

### REVIEW OF TRANSPORT CODE OF PRACTICE (B000)

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MEETING: (1) CABINET  
(2) CABINET MEMBER FOR HOUSING IN CONSULTATION WITH THE CABINET MEMBER FOR HEALTH AND WELLBEING

DATE: (1) 22 SEPTEMBER 2015  
(2) 7 SEPTEMBER 2015

REPORT BY: OPERATIONAL SERVICES DIVISION  
MANAGER

WARD: ALL

COMMUNITY ASSEMBLY: ALL

KEY DECISION REFERENCE 551

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#### FOR PUBLICATION

BACKGROUND PAPERS FOR PUBLIC REPORTS: NONE

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

- 1.1 To advise members of the update of the Transport Code of practice.
- 1.2 To advise Members of the Action Plan that has been developed arising from the first 12 months in post of the new Fleet and Facilities Manager.

## **2.0 RECOMMENDATIONS**

- 2.1 That the revised Transport Code of Practice be adopted by Council. (Appendix A)
- 2.2 That the Action Plan be approved. (Appendix B)
- 2.3 That the savings shown in Appendix B be noted.

## **3.0 BACKGROUND**

- 3.1 In April 2014 the Council approved the centralisation of the management of the Council's fleet. Approval was granted to appoint a Fleet and Facilities Manager and Assistant who would be responsible for the corporate management of the Council's core fleet.
- 3.2 The new Fleet manager and assistant would be based at the new centralised depot and would operate under the overall responsibility of the OSD Manager.
- 3.3 It was stipulated in the report that the new management structure would 'develop a fleet and facilities Management Strategy and Action Plan' and this report presents the findings of the first 12 months of the new operational structure.
- 3.4 This report presents the proposed new strategy and action plan alluded to in the previous report which it is considered will provide continuous improvements in managing the Council's fleet.
- 3.5 A Transport Officer Working Group (TOWG) has been established which meets regularly to discuss the operational side of fleet management. The Fleet Manager chairs the group which consists of a number of officers who operate vehicles as part of their duties, including:
  - OSD Manager
  - Landscape and Street Scene Manager
  - Insurance Officer
  - Health and Safety Advisor
  - Fleet and Facilities Officer (OSD)
  - Technical Advisor (Safety and Quality) (Spire Pride)

- Health and Safety Officer (OSD)
- Union Representatives

3.6 This group has generated a corporate involvement that was previously missing and has taken responsibility for developing a more rigorous and valuable management of the Council's fleet under the overall management of the Fleet Manager.

#### **4.0 Transport Code of Practice**

4.1 A new Transport Code of Practice was approved by the Council in 2013 and it has been necessary to carry out a review of this code of practice to reflect and update –

1. The changes to the Council's structure which attach responsibility to posts that no longer exist.
2. The need for clarity in the division of responsibility for the core fleet and the grey fleet.
3. To establish stronger budgetary controls of the corporate fleet and to clarify the responsibility and ownership of these budgets.
4. To review the code of practice to reflect the changes and continuous developments carried out in the past 12 months by the new corporate structure.

#### **5.0 Action Plan**

5.1 The principal areas that are included in the action plan (details are set out within Appendix B) are –

- Electronic licence checking
- Alcohol and drugs policy
- Key Performance Indicators for the fleet
- Procurement of fuel(s) for fleet
- Reporting of and control of accidents/incidents
- Review of Grey Fleet
- Branding of new vehicles
- Procurement of replacement fleet and new vehicles
- Driver training
- Maintenance of fleet

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 Savings have been achieved to date by reducing the number of short term hire vehicles, and reducing garage rental costs, but the action plan sets out specific areas that are pinpointed to achieve additional savings in the future, with a structured review of fleet management and a continuous review of existing processes and new opportunities.

## **7.0 OTHER CONSIDERATIONS**

- 7.1 Consultation - Separate consultation has been carried out with the trade unions and the Code of Practice has taken into account their comments. As outlined above, the Transport Working Group has Union representation on an ongoing basis.
- 7.2 Health and Safety - The adoption and implementation of the draft Transport Code and the new structure has harmonised the management of core fleet and grey fleet and updates changes in legislation.
- 7.3 Equalities - An EIA has been undertaken and no negative impacts identified. A copy of the initial EIA is attached Appendix C.
- 7.4 Risk Management - There are no inherent risks associated with the adoption of the Transport Code of Practice, the development which continues to improve management and reduces inherent risks associated with a large fleet.

## **8.0 RECOMMENDATIONS**

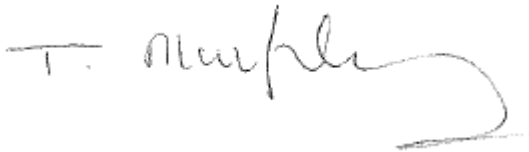
- 8.1 That the revised Transport Code of Practice be adopted by the Council. (Appendix A)
- 8.2 That the Action Plan be approved. (Appendix B)
- 8.3 That the savings shown in Appendix B be noted.

## 9.0 REASON FOR RECOMMENDATIONS

- 9.1 To continue to improve the Council's arrangements for managing risks arising from the purchase, operation and maintenance of core fleet Vehicles, and the operation of the grey fleet.

Further information on this matter can be obtained from Martyn Bollands (ext 5020)

Officer recommendation supported.



Signed Cabinet Member

Date 14/9/2015

Consultee comments/declarations of interest (if applicable).

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**CHESTERFIELD**  
BOROUGH COUNCIL

# **Transport Code of Practice**

Updated August 2015





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## **INTRODUCTION**

This Code of Practice sets out the Council's responsibilities for the management of the vehicle fleet and the procedures which are necessary to ensure the efficient, economical and safe operation of the Council's vehicle fleet.

The purpose of the vehicle fleet is to bring about the effective movement of people, goods, materials and plant necessary for the efficient discharge of the Council's functions. This process has due regard to the economic, environmental and safety of the Council's employees and members of the public.

The fleet comprises of all vehicles and items of plant owned by, hired to, or leased to the Council (Core Fleet) and privately owned vehicles used by employees in connection with the business of the Council for which reimbursement is claimed (Grey Fleet).

All vehicles owned by or leased to the Council (the Core Fleet) are registered in the name of "Chesterfield Borough Council".



## **A. GENERAL MANAGEMENT**

### **1.0 Responsibilities**

- 1.1 The Fleet Manager will have day to day operational responsibility for:
- Managing and policing the Council's fleet and maintenance operations in accordance with this Code of Practice.
  - Liaison with Service Managers to ensure an efficient service delivery in respect of the vehicles in use within each service area.
  - Ensuring compliance with all relevant road transport legislation and regulations, see Appendix A.
- 1.2 Service Managers still have responsibility for the management of personnel for the overall safe and efficient operation of any core fleet and grey fleet vehicles used within their service areas.

### **1.3 Duties and Responsibilities of the Fleet Manager**

- Ensuring that Council vehicles are maintained and used in compliance with the Highway Code and the Councils adopted Code of Practice.
- Ensuring that the Councils fleet numbers are appropriate to the service needs of the Council and applying the Councils lean principles and ensuring value for money.
- Ensuring vehicles comply with the Council's operating procedures and management information system requirements.
- Ensuring that pre-drive check routines are carried out.
- Ensuring that inspection, servicing and repairs are carried out as required by service schedules.
- Determining vehicle service schedules and taking appropriate action if any vehicle has defects or falls below the standards required by law.
- Ensuring that all drivers have valid current driving licences.
- Ensuring that drivers' incident reports are properly completed and forwarded to the relevant personnel.
- Liaising with Service Managers on all matters relating to transport generally and advising them on the best ways of meeting transport needs, including determination of fleet size.

- Organising the Transport Officer Working Group and leading on matters relating to the management and maintenance of the Councils fleet.
- Ensuring that appropriate records are kept and that the relevant requirements including compliance with the principal acts and regulations are complied with.

## **2.0 Management of the Operators Licence**

- 2.1 The Fleet and Facilities Manager will be the nominated person for the Operator's Licence.

## **3.0 Transport Officers Working Group**

- 3.1 This is an advisory and consultative body, meeting quarterly and includes representatives of main transport operating service areas, Corporate Safety Advisor, Insurance Officer, Union representatives and other personnel by invitation. It considers Corporate Council wide matters of transport operational policy and provides for the exchange of information on all matters relating to the operation and management of transport. The TOWG will report in to the Council's Risk Management Group.

## **B. DUTY OF CARE**

### **1.0 Responsibility**

- 1.1 This section deals with the Council's Duty of Care and sets out the key responsibilities that all drivers will need to adhere to, to deliver the service and represent the authority in a proper manner.
- 1.2 Every employer has a duty of care to its employees and customers; this applies equally to Local Authorities. Vehicles and their drivers represent the Council and the role the driver plays can affect the reputation of the Council.
- 1.3 Checks on the individual's driving licence should be undertaken at least once a year.
- 1.4 Employees who will be driving the Core Fleet should always undertake a driving assessment as part of the induction process, and this should be carried out by a competent person. This will take into account:
  - Handling the specific vehicles used by the operator;
  - Drivers' hours and record keeping (including relevant legislation);
  - Vehicle maintenance procedures and systems;
  - Carrying out all safety precautions (before, during and after driving), such as pre-drive checks;
  - The correct control of speed;
  - Safe, secure and legal loading;
  - Safe and secure parking (both at the authority's base and away from it);
  - Refuelling safely;
  - Driver behaviour;
  - Authority procedures and administration (this document);
  - Route knowledge.

### **2.0 Driving Licences and Permits**

- 2.1 The Fleet Manager will ensure that drivers hold the correct licence/permit for the type of vehicle/plant they have been allocated to drive.
- 2.2 Drivers will be required to complete, sign and bring in the Driver Licence check form annually to the Fleet and Facilities Manager. A copy can be found at Appendix D.
- 2.3 Following the paper Driving Licences becoming obsolete the process for driver licence checking will be as follows:

- Drivers will need to complete, sign and bring in the Driver Licence Check form to the Fleet and Facilities Manager.

At this time the Fleet and Facilities Manager will either:

- Go onto the following website <https://www.gov.uk/check-driving-information> and enter the code to look at someone's licence  
Or
- If the driver has not previously generated a code ask the employee to go to the following site <https://www.gov.uk/view-driving-licence>  
The employee then has the choice of either showing the Fleet and Facilities Manager the details when they log on OR they can generate a code for The Fleet and Facilities Manager to use to access the information.
- As the driver will be physically bringing in their Licence Check form we take this opportunity to carry out the checks at that time and therefore will remove a need to go to a third party to carry out the checks.

- 2.4 Drivers should also be subject to on-going training and familiarisation programme to meet the requirements of Certificate of Professional Competence should that be required

### **3.0 Driving Standards**

- 3.1 Employees (Permanent or temporary) must at all times, drive with due care and attention, showing consideration to other road users. The public will judge the Council by the actions of its employees.
- 3.2 A driver must operate their vehicle with due regard to:
- Correct implementation of Road Transport Legislation
  - Highway Code
  - Correct and legal speed for the prevailing conditions and vehicle type
  - Drivers hours legislation
  - Correct loading
  - Prevent Incidents
  - Completing and recording their Pre-drive vehicle checks
  - Reporting defects to the Fleet Department
  - Adhering to the Drink and Drugs Policy
  - Adhering to the Mobile Phone Policy
  - Correct use of seatbelts
  - Authorised use of the vehicle
  - Adhering to the No Smoking Policy



#### **4.0 Legislation**

- 4.1 Drivers of Council vehicles must observe any legal requirements and the Highway Code. The driver will be responsible for payment of any fines resulting from motoring offences associated with their actions.
- 4.2 Drivers of Council vehicles and the grey fleet must not under any circumstances drink alcohol during the working day or use illegal drugs or any illegal drugs, prescription or non-prescription, which will affect their ability to drive and work safely. Drivers must not arrive for work affected by drinking alcohol, prescription or non-prescription drugs to the extent that their driving ability is impaired. Failure to comply with these requirements may result in disciplinary action being taken. For further information see the Councils Use of Alcohol and Drugs Policy (which is presently being reviewed by the Councils Health and Safety Officer.)
- 4.3 The use of mobile telephones whilst driving (even hands free types) is prohibited. Calls should only be taken or made by the driver with the vehicle stationary, in a safe position, and the key removed from the ignition (see section on Use of Mobiles in the Council's Safety Policy). Failure to comply with these requirements may result in disciplinary action being taken.
- 4.4 Smoking in the core fleet is prohibited at all times. Failure to comply with this requirement may result in disciplinary action being taken.

#### **5.0 Record Keeping**

- 5.1 Under Section 172 of the Road Traffic Act 1988 owners, keepers, hirers or drivers of a vehicle are required to supply the full name and address of the driver at the time an offence was committed. Failure to do so can result in the owner, keeper or hirer being reported under Section 2 of the Road Traffic Offenders Act 1988.
- 5.2 The Council operates Vehicle Check lists to enable the Council to identify drivers of the fleet.
- 5.3 Vehicle Check sheets must be submitted weekly to the Fleet Manager and must be submitted in to the Fleet Office by Monday 5PM the following week. Failure to comply with this requirement may result in disciplinary action being taken.

## **C. OPERATORS LICENCE**

### **1.0 Requirement for a Licence**

- 1.1 Any Local Authority using goods vehicles to carry goods on a public highway must hold an Operator's Licence ('O' Licence). This Council holds a 'restricted' O licence; this permits only the carriage of goods owned by the Council in Great Britain.
- 1.2 To obtain and retain an Operator's Licence the applicant must fulfil certain conditions specified in national regulations. These conditions apply equally to local authorities as they do to haulage companies.

### **2.0 Management**

- 2.1 All goods vehicles over 3.5 GVW are all on one operator's licence held in the name of "Chesterfield Borough Council" with the Fleet and Facilities Manager responsible for the transport functions as set out in the Goods Vehicles (Licensing of Operators) Act 1995.

## **D. PROCUREMENT OF VEHICLES**

### **1.0 Financial Regulations, Standing Orders and Legal Scrutiny**

- 1.1 Any replacing or purchasing of a fleet or individual additional vehicles must be subjected to the Councils Procurement process which is covered by the Councils Financial Regulations and Standing Orders as part of this procurement process.

### **2.0 Replacement Vehicles**

- 2.1 All fleet vehicles are allocated an end of life date; this is based on an assessment of the most economical life of the vehicle and is assessed against operational requirements, anticipated mileage, initial capital/lease costs, planned maintenance costs, environmental impact, warranty periods, estimated depreciation values and safety features.
- 2.2 Vehicles may be replaced or disposed of owing to collision damage, fire or other reasons they are deemed uneconomical to repair.

### **3.0 Vehicle Procurement**

- 3.1 The purchase of new fleet vehicles can take up to 18 months depending upon the size of the fleet, whether specialist vehicles are needed, evaluation of vehicles etc. It is vital that the Service Managers are familiar with the procurement process and time-span involved if delays in the acquisition of vehicles are to be avoided.
- 3.2 Once a decision has been taken to commence procurement of new vehicles an Officer Working Group will be assembled that will usually include:
- Executive Director
  - Service Manager
  - Fleet Manager
  - Representatives from Procurement Unit
  - Representatives from Finance
- 3.3 The following are principal considerations the Council will take account of when specifying new vehicles:
- Fitness for purpose
  - Capital/Lease cost
  - Residual values (if purchasing)
  - Environmental impact of vehicle
  - Vehicle safety rating
  - Fleet standardisation
  - Maintenance cost
  - Operating costs

- 3.4 Consideration will usually be given to having any proposed vehicles on trial to evaluate them prior to purchase.
- 3.5 In accordance with the Council's Green Purchasing Policy an environmental impact assessment must be undertaken of any fleet vehicle prior to purchase. The Council's Sustainability Officer should be consulted as necessary.
- 3.6 Purchase must be in strict compliance with Standing Orders and Financial Regulations, or as otherwise directed by Cabinet

#### **4.0 Livery and Marking**

- 4.1 The marking of vehicles will comply with the corporate identity guidelines.

#### **5.0 Vehicle Taxation**

- 5.1 All vehicles must be taxed in accordance with regulations.

#### **6.0 Fleet Data and Registration**

- 6.1 The Council is required under the Motor Insurance 4th EU Directive to maintain the Motor Insurance Database in respect of all vehicles owned or operated by the Council under its blanket insurance cover. This includes any vehicle hired to the Council for more than 14 days and all 'road registerable' vehicles such as certain mowers. Services are required to make weekly submissions of hired vehicles operated under the Council's motor vehicle insurance to the Council's Insurance Officer and Fleet Department.
- 6.2 The Council's Insurance Officer will collate and use the above information for the vehicles and items of plant to maintain a comprehensive record on the computerised insurance system. Information from this system will enable the Insurance Officer to manage and audit details of the fleet.

Vehicles subject to the Goods Vehicles (Licensing of Operators) Act 1995 will be added or removed from the operator's licence register by the 'O' licence holder or their nominated representative and the Council's Insurance Officer be informed.

#### **7.0 Insurance**

- 7.1 The Council's Insurance Officer or approved person will, in consultation with the Council's insurance brokers, assess and arrange for insurance cover appropriate for the Council's fleet.

- 7.2 The principal conditions of the insurance are as follows:
- 7.3 That the vehicle is being used for the purposes authorised by the Council;
- 7.4 That the vehicle is being driven with the consent of the Council by a person permitted or authorised to do so, this person being one who holds a current licence to drive such a vehicle. An employee must notify the DVLA and his/her manager where there is an obligation to do so due to ill health or disability that might affect driving capabilities.
- 7.5 New vehicles will be added to the insurance list by the Council's Insurance Officer or approved person when they are acquired. Details required are the make, model, registration number and the date of acquisition, and whether the vehicle is owned, leased or hired. Services are required to inform the Insurance Officer and Fleet Department of any vehicles removed from the Council's fleet.

#### **8.0 Tools and Equipment**

- 8.1 All fleet vehicles will be equipped with a suitable fire extinguisher where required and an appropriate first aid kit. If appropriate the vehicle will also be fitted with suitable hand washing facilities.

#### **9.0 Fuelling Arrangements**

- 9.1 This is the responsibility of the individual service area. However, where fuel is to be acquired from the retail sector all fuel cards will be obtained from the Fleet Manager.
- 9.2 Lost or stolen fuel cards must be reported to the Fleet Manager immediately, arrangements will then be made for the lost fuel card to be suspended.

#### **10.0 Arrangements for Hire of additional Vehicles**

- 10.1 Where a service identifies the need for an additional vehicle they will first assess if that need can be met from existing resources or the resources of another service before seeking to procure any additional vehicle. The service must ensure that there is adequate budget provision to meet the ongoing costs of any additional vehicles.
- 10.2 All requests for the day-to-day hiring of additional vehicles will be made by the Service Manager to the Fleet Manager who will procure the appropriate vehicle.

## **E. OPERATIONAL USE**

### **1.0 Authorisation of Journeys**

- 1.1 The operational decisions for the use of goods, plant or materials and which journeys are necessary must be made by the relevant Service Manager.

### **2.0 Risk Assessment**

- 2.1 Service Managers will be responsible for the risk assessment of fleet used within their service area, This Code of Practice provides a guide of the minimum control measures that service managers should ensure are in place. These should be provided to the Fleet Manager and reviewed annually. The basic Road Risk Assessment can be found at Appendix E.

### **3.0 Use of Vehicles**

- 3.1 Vehicles must only be used for the purpose for which they were designed.
- 3.2 Drivers should be aware that authority vehicles are to be used only for the official business of the Council. Employees are therefore not permitted to use their vehicle for any private purpose or to carry private passengers or goods without prior permission from their manager. Some drivers may be required/allowed to take an authority's vehicle home overnight as part of their duties. The vehicle should be kept secure and parked in a safe position.
- 3.3 Employees who are permitted to take their vehicles home are not permitted to use the vehicle for any purpose other than travelling between their home and place of work, unless they have permission to do so.
- 3.4 Drivers should only use ancillary vehicle equipment that they have been trained to use. Under no circumstances should cranes, mobile elevating work platforms, winches, tail lifts, winter maintenance equipment, gully emptier booms/jettors or wheelchair access lifts be used by untrained personnel. Likewise sweepers, gully emptiers, skip lorries, fork lift trucks, telescopic handlers or any other kind of specialist plant should only be driven by suitably trained and authorised personnel.
- 3.5 All safety warning devices on vehicles should be checked as part of the pre-drive check routine prior to commencing driving. These systems include emergency stops, height warning buzzers, stabiliser legs and handbrake interlocks on craned vehicles and raised body warning devices on tipping vehicles.

- 3.6 Drivers using trailers should ensure that they have received adequate instruction on their use and hold the correct licence for the combinations driven and that adequate safety checks must be carried out in respect of trailers in the same way they are for primary vehicles.

#### **4.0 Drivers' Hours**

- 4.1 Drivers of vehicles which are regulated by the number of hours permissible to drive must adhere to these regulations.

#### **5.0 Drivers' Other Employment**

- 5.1 It is essential that any employee advises their Service Manager of any other employment they are engaged in relating to driving. These regulations are broken down into duty time and driving. Persons engaged in other employment could be eroding the duty time and possibly the driving hours of the principal employer; which could result in the employee exceeding drivers' hours regulations.

#### **6.0 Drivers' Pre-Drive Inspection Sheet**

- 6.1 All drivers will conduct a pre-drive check prior to taking the vehicle on to a public highway and complete the vehicle check sheets.. The pre-drive check sets out the requirements of the driver and the procedure to be adopted should a defect be found. These records are to be retained by the Fleet Office for 12 months following completion of the record. A copy can be found at Appendix B

#### **7.0 Vehicle Maintenance History File**

- 7.1 This is maintained on the maintenance records by the lease/hire company and is available for audit by VOSA at any time.

#### **8.0 Drivers' Licence and Incident Record**

- 8.1 All drivers must maintain an appropriate licence at all times and report to their manager if that entitlement changes. Drivers must report any pending prosecutions and any penalties to the Service Manager who will then inform the Fleet Manager. The Service Manager will then need to assess if any action needs to be taken. A record of incidents relating to vehicle operators are to be retained for a period of not less than 5 years.

## **9.0 Record of Prohibition Notices**

- 9.1 A file of copies of any prohibition notices (GV9), issued by the enforcement agencies; the originals to be sent directly to the 'O' Licence holder who will retain them on file for 5 years together with details or consequent action taken, to support their application for the Council's operators licence.

## **10.0 Authorisation of Drivers**

- 10.1 The necessary authorisation for persons to drive will be issued by the Service Manager. Authorisation will be granted only if the driver:
- Is in possession of a current British or European driving licence covering the class of vehicles the driver will be required to drive;
  - Has passed the Council's driving assessment on vehicles of the appropriate class.
- 10.2 Where a driver's record gives cause for concern in the opinion of the Fleet Manager, the Fleet Manager will inform the Service Manager who will:
- Discuss the situation with the driver concerned, allowing, if requested, the employee's trade union representative to be present;
  - Ascertain with the driver concerned that there are no underlying medical difficulties. If there are such difficulties, the driver's agreement should be sought to refer him for a medical examination by Occupational Health. This examination should take account of relevant associated duties as well as driving itself.
- 10.3 If there are no medical difficulties or the driver is cleared by Occupational Health as fit for normal duties, arrangements should be made for a driver assessment to be conducted by an authorised driving assessor. If any incidents have been of a serious nature, e.g. involving a third party or significant damage, consideration should be given to transferring the driver concerned to other appropriate duties until the assessment has been undertaken. If the incidents have been of a minor nature, e.g. not involving a third party or incidental damage, the driver should be allowed to continue current duties on the clear understanding that a driving assessment is being arranged. There must be no undue delay in arranging such an assessment. Driver assessments will be arranged by the Fleet Manager.



- 10.4 In the event of a driver failing to pass the assessment, driving instruction will be given by a qualified person and the driver will be further assessed afterwards. Further failure will result in the matter being passed on to the Human Resources Officer for consideration under the disciplinary procedures and the employee will not be allowed to drive a Council vehicle. Before this happens however, the Service Manager will consider whether a further period of professional training is desirable.
- 10.5 Where an accident is of such a serious nature, or having regard for the driver's ability to perform necessary duties is questioned, it appears that the withdrawal of the authorisation to drive the council's vehicles may be necessary, or that disciplinary action should be taken, the matter should be referred to the Human Resources Officer in order that it may be dealt with in full accordance with the appropriate provisions of disciplinary procedures applicable to all staff.
- 10.6 Similarly where a driver is convicted by the courts of a driving offence the case will be referred to the Human Resources Officer in conjunction with the Service Manager who shall deal with the matter in accordance with the Disciplinary Code.
- 10.7 Where an employee leaves the service, the authority to drive the Council's vehicles will be automatically withdrawn.

## **11.0 Driving Assessments**

- 11.1 The Council's initial driving assessment will be conducted by the Fleet Manager or other approved assessor. The Council will provide additional up to date training to all authorised drivers on a 5 yearly basis by an approved instructor or similar.

## **12.0 Drivers' Duties**

- 12.1 Anyone who drives a Council vehicle is responsible for:
- Ensuring that they hold a current driving licence or licences valid for the type of vehicle being driven.
  - Submitting on demand, for examination, their driving licence or licences, valid record of work etc, to their Service Manager.
  - Before driving a vehicle, making sure that it is in a fit and serviceable condition, by carrying out a pre-drive check as set out in the Drivers Pre-drive Check booklet certifying by signing the documentation that this has been done.
  - Reporting on the pre-drive check sheet any vehicle defect which comes to notice as a result of carrying out the pre-drive check routines, or whilst driving vehicles, or where no defects come to

their notice completing the certificate 'Nil defects'. All defects must be reported to the Fleet Manager, immediately where it is safety related or illegal.

- Driving vehicles in a safe manner in compliance with the law to at least the statutory driving test standard and with due regard to the need for economy in the use of fuel.
- Reporting all vehicle incidents to the Fleet Manager who will record it on the Council's incident report form and similarly reporting all contacts involving enforcement agencies.
- That they have no medical conditions which preclude them from driving and that they have undergone regular eyesight tests at frequencies of not more than 2 yearly intervals.

### **13.0 Care of Vehicles**

13.1 The image of the Council is reflected by the appearance and use of the vehicle fleet. Drivers should ensure that their vehicle is clean and tidy inside and out and have any defects rectified.

13.2 Service Managers need to have a procedure for conducting spot condition checks on vehicles and making drivers aware of their responsibilities.

### **14.0 Parking Outside Working Hours**

14.1 Where a vehicle is not to be parked at its normal operating base at night, permission must be given by the Service Manager.

### **15.0 Vehicle Security**

15.1 Where a vehicle is to be left unattended, even for a few minutes, drivers should ensure that it is locked and all windows closed. Any items of value should, where possible, be covered or removed from sight.

15.2 Any security devices must be activated when the vehicle is not in use. Tools should not be left in the driving area of the vehicle; these should be locked away in the cargo area for safekeeping.

15.3 When a vehicle is parked outside of normal working hours at an employees address all tools need to be removed and stored in a secure location.

15.4 It is illegal to leave a vehicle running whilst unattended, consequently no vehicle must be left whilst the engine is running.

## **16.0 Incidents and Accidents**

- 16.1 All incidents involving the Council's vehicles will be reported on the incident report form.
- 16.2 In the event of an accident involving a third party the driver should on no account make any admission of liability, they should note the time and place of the incident, what happened, by reference to a sketch plan if possible, condition of the road and weather, and any other relevant information, and in particular should make a note of the following details:
- Any personal injuries, to themselves or third parties;
  - Damage to vehicles or other property;
  - Identification and insurance particulars of any other vehicles and drivers involved;
  - Number of passengers in each vehicle involved;
  - Names and addresses of any independent witnesses;
  - Name of police officer(s) or police station to which the accident was reported and the Incident Reference Number.
  - If safe to do so, pictures should be taken of the incident location, the damage, drivers of any other vehicles involved and anything else deemed relevant.
- 16.3 The driver will immediately (certainly same day) report the incident to the Fleet Manager and complete the Incident Report Form. A copy can be found at Appendix C.
- 16.4 When a driver is unable to complete an accident report form because of absence or illness arising from an accident, the supervisor will complete and send to the Fleet Manager a temporary incident report form. The temporary incident report should be followed as soon as practicable by a fully completed incident report form.
- 16.5 Where there is no apparent damage to the CBC or third party vehicle and no obvious injury to anyone an incident form should still be completed and a copy forwarded to the Council's Insurance Officer.

## **17.0 Overloading of Vehicles**

- 17.1 Any overloading of a goods vehicle, Public Service Vehicle or car is illegal. It is the responsibility of the vehicle user to ensure the vehicle is not overloaded. If the vehicle is found to be overloaded then both the driver and operator could be prosecuted. Any vehicle user found to be in breach of this may be subject to disciplinary procedures.

### **Weight limits**

- 17.2 All vehicles contain information on the gross vehicle weight. The carrying capacity of the vehicle will vary dependent upon the amount of

fixed and portable equipment carried on the vehicle. Drivers should make themselves aware of the limits relating to the vehicle they are using and that if they do not know how to seek advice from the Fleet Manager.

- 17.3 The weight of the vehicle (the gross weight limit less the weight of the vehicle will give a guide to the load that can be carried);
- 17.4 Check the load before setting off; ensure the driver is instructed on what action to take if they are not confident the vehicle is within its legal weight limits;
- 17.5 If a driver is unsure of the weight of their vehicle and what they are carrying a local public weighbridge can be used to determine this.

### **Training**

- 17.6 Training will be given to managers and staff who may operate in activities that are critical to overloading (for example, winter maintenance), where the quantity and weight of material loaded can vary from day to day.

### **Procedures to monitor loads**

- 17.7 Service Managers should monitor overloading through weight tickets and tip reports. Overloading problems must be reported to the Fleet Manager.
- 17.8 The procedure to be carried out at the time of an overloading event is that the vehicle is to remain in position and the load removed or discharged to another vehicle.
- 17.9 The vehicle load or contents should be secured from moving and endangering the driver, the vehicle or other road users. Open backed vehicles should use straps/sheets to prevent load loss. Drivers should be aware that it is an offence under the Road Traffic Act to have an unsafe load or to be overloaded.
- 17.10 Drivers should only climb onto and dismount the cargo area of open backed vehicles by using the appropriate ladders and grab handles fitted. Where these are not available drivers should refrain from any such action.

## **18.0 Training – General Principles**

- 18.1 It is the responsibility of the Service Manager to ensure that their drivers and supervisors receive appropriate training.

## **19.0 Driver Training**

- 19.1 The Council will train all authorised drivers on a 5 yearly basis by an approved instructor or similar.
- 19.2 All drivers will be given any additional training which their incident record or performance as drivers may indicate.

## **20.0 Driving Whilst Under the Influence of Alcohol or Drugs**

- 20.1 Drivers of Council vehicles must not under any circumstances consume alcohol during the working day, use illegal drugs or any prescription or non-prescription drugs which will affect their ability to drive and work safely.
- 20.2 Drivers must not arrive for work affected by anything, i.e consuming alcohol, prescription or non-prescription drugs to the extent that their driving ability is impaired. Failure to comply with these requirements will result in disciplinary action being taken. For further information see the Use of Alcohol and Drugs Section of the Safety Policy.

## **21.0 Use of Mobile Telephones**

- 21.1 The use of mobile telephones whilst driving (even hands free types) is prohibited. Calls should only be taken or made by the driver with the vehicle stationary and in a safe position with the key removed from the ignition (see section on Use of Mobiles in the Council's Safety Policy). Failure to comply with these requirements will result in disciplinary action being taken.

## **22.0 Driver Health Checks**

- 22.1 An Occupational Health Assessment is mandatory for all drivers, whose core duties include driving, to undertake every two years. This assessment gives assurance to the Council that drivers are physically capable of driving vehicles on behalf of the Council. Linked to this assessment, drivers are required to confirm on the updated Driver Licence check form that they have no medical issues (including eye sight) that may affect their ability to drive.

## **23.0 Eye Sight Tests**

- 23.1 As part of the two year Occupational Health Assessment, the routine Driver assessment carried out by Occupational Health now also includes a basic eye test. If, as a result of the OH test the driver/employee is referred to an opticians for a full examination the Council will contribute towards the cost of glasses, in line with corporate policy, should the driver need glasses to drive a Council vehicle.

## **F. INSPECTION, SERVICING AND REPAIRS**

### **1.0 Responsibilities**

- 1.1 It is a statutory obligation on all vehicle users to ensure that their vehicles are maintained and operated in a safe and roadworthy condition. The Fleet Manager is responsible for the overall condition of vehicles on the road and for ensuring maintenance and repairs are carried out as necessary where vehicle operators have reported them.

### **2.0 Vehicle Inspection and Servicing Programme**

- 2.1 The Fleet Manager is responsible for ensuring that it has established adequate arrangements for the planned inspection and servicing of vehicles.
- 2.2 Every vehicle shall undergo an MOT at the appropriate statutory intervals. No vehicle shall be driven on the public highway unless it has a current MOT (or is statutorily exempt).

### **3.0 Safety Routines**

- 3.1 Drivers carry out pre-drive check routines and complete the necessary paperwork. Any defects are notified by drivers to the Fleet Manager and arrangements are made to undertake any necessary repairs as soon as is practicable.

### **4.0 Defect Reporting**

- 4.1 All vehicle defects must be recorded in a report which states the detail of the defects found and any repair work carried out. The repairs section of the defect report must be completed by a competent person. An audit trail of all defects must be kept in the vehicle's history file to confirm that the correct remedial action has been taken. It is mandatory that defect reports are kept for at least 15 months.
- 4.2 The Fleet Manager will analyse any defects found on either a defect report or as a result of a safety inspection and consider if those defects have occurred through negligence of the driver or failure of the driver to undertake pre-drive checks, or maintenance routines.

### **5.0 Vehicle Valeting**

- 5.1 Operators will maintain vehicles in an acceptable condition by cleaning them internally and externally at least once a week, or more frequently when operating conditions require it.
- 5.2 Vehicles will be submitted for maintenance in a clean condition both internally and externally.

## **6.0 Records**

- 6.1 Adequate records shall be kept by services about each vehicle that they operate and centrally by the Fleet Manager..
- 6.2 These records will be kept for the life of the vehicle and retained for at least 15 months thereafter.

## **G. DISPOSAL OF VEHICLES**

### **1.0 Reasons for Disposal**

- 1.1 A vehicle may be disposed of because:
- It has reached the end of its economic life;
  - It is no longer required for the purposes for which it was provided;  
or
  - It has been subject to damage which renders the vehicle beyond economical repair;
  - The service can no longer sustain the vehicle due to a downturn in work or the type of work has changed; or
  - It has become uneconomic to run or repair to prescribed standards for the full period of the expected economic life.
- 1.2 When a service decides that a vehicle is no longer required for its purpose, it will inform the Fleet Manager who will consider whether the vehicle can be redeployed within another service. If not the Fleet Manger will arrange for disposal. The Insurance Officer should also be advised of the disposal of the vehicle and the date of disposal.
- 1.3 Prior to disposing of a vehicle all items of equipment and all identification markings shall be removed.
- 1.4 Vehicles will usually be sold by public tender or auction if they are owned by the Council.
- 1.5 Preparation and disposal of vehicles acquired under an operating lease will be in accordance with the terms and conditions set down by the leasing company.



## **H. GREY FLEET**

Grey fleet travel refers to mileage in employee owned vehicles.

The management of grey fleet travel plays an important part in supporting three key policy areas of health and safety, environmental sustainability and financial efficiency.

The Management of the Grey Fleet comes under Support Services who are responsible for the ongoing process of licence checking and ensuring private cars are insured and MOT'd as required

### **1.0 Health & Safety**

- 1.1 Managing the duty of care to employees driving for work is a legal requirement, and this includes employees driving their own vehicles for work. The Health & Safety at Work Act 1974 states that "It shall be the duty of every employer to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all employees." This means that both management and employees can be prosecuted for road traffic collisions involving work-related journeys, even when the driver is using their own vehicle.
- 1.2 Under the Management of Health and Safety at Work Act 1999 all employers have a legal responsibility to manage health and safety effectively. In this respect, an assessment of the risks to the health and safety of all employees, whilst at work, is a key requirement. The driving of vehicles at work plays a crucial part in any such assessment.

### **2.0 Incidents**

- 2.1 All incidents involving driving vehicles whilst on Council business including any load or passengers should be dealt with initially in accordance with the advice in the 'Highway Code' and subsequently reported on the Council's accident report form.
- 2.2 In the event of an incident involving a third party the driver should on no account make any admission of liability; they should note the time and place of the accident, what happened, by reference to a sketch plan if possible, take photo's of the incident locus, vehicles involved, people involved and all damage, state of the road and the weather and any other relevant information, and in particular should make a note of the following details:
  - Any personal injuries, to themselves or third parties;
  - Damage to vehicles or other property;

- Identification and insurance particulars of any other vehicles and drivers involved;
- Names and addresses of any independent witnesses; and
- Police officer or police station to which the accident was reported.

### **3.0 Managing the Grey Fleet**

- 3.1 Staff should be aware that for journeys in excess of 100 miles the Council's policy is that public transport should be used if possible or a Council vehicle if available. Managers should manage the mileage of Grey Fleet to ensure that the journey is absolutely necessary.

#### **Procedures for Drivers Using Their Own Vehicle on Council Business**

- 3.2 All officers using their own vehicles on Council business must comply with the following procedures:
- In the event that a defect on their vehicle is suspected, staff should never take a risk and attempt to drive the vehicle.
  - Employees using their own vehicle are required to maintain it in a roadworthy condition and have a current MOT Certificate
  - Before starting long journeys of 2 hours duration or more, staff should always carry out basic vehicle checks, e.g. check oil, water levels and tyre pressure.
  - Staff should follow any advice on route-planning supplied by their immediate Supervisor, Line Manager or Motoring Organisations. They should also ensure that sufficient breaks are built-in to prevent fatigue and allow for any bad weather, major road works or traffic congestion (try to avoid peak traffic times).
  - Staff should always drive within the speed limits, observe the Highway Code and other road safety requirements, and drive according to the prevailing weather conditions.
  - Seat belts must be worn at all times whilst the vehicle is in motion (except where exemptions exist)
  - Before driving, staff should familiarise themselves with the procedure to follow in the event of a vehicle breakdown.
  - Employees must never drive whilst under the influence of alcohol or drugs (see Use of Alcohol and Drugs Policy )

- Use of mobile phones is prohibited whilst driving; calls should only be made or taken when it is safe and legal to do so (See Mobile Phone Policy).

### **Documentation**

- 3.3 To assist the Council to comply with current legal requirements, we will require those members of staff using their own vehicles to drive on Council business to produce basic documentation on commencement of their employment and, subsequently, on an annual basis. Where this is necessary the Support Services Manager should take responsibility for checking the following on an annual basis.
- 3.4 The employee's driving licence (also applicable for lease/Council vehicle driving) and where the licence is of the two-part type, both parts are required to be presented and checked. These checks shall be conducted during the month of April each year or when a new employee commences work.
- 3.5 If the car is more than 3 years old, the current MOT Certificate is required
- 3.6 Insurance documents (with business use cover) are required for all vehicles used.

### **III-Health Driving**

- 3.7 Employees are responsible for ensuring that they are physically fit to drive. Should this change, they must inform their line manager or supervisor as soon as possible. In the event that medication becomes necessary, staff should check with their GP or Pharmacist before driving, even for short distances.

### **Breakdown Procedures**

- 3.8 In the event of a vehicle breakdown whilst driving a privately owned vehicle on Council business, the driver shall contact their personal breakdown recovery provider to obtain assistance. The driver should then contact his/her Line Manager to inform them of the breakdown, their location and that assistance has been requested.
- 3.9 After inspection by the breakdown provider, the driver shall inform their Line Manager if they are able to continue their journey or if the vehicle requires further attention at a garage. If the vehicle requires towing/transporting to a garage, the respective Line Manager shall agree a method of transportation back to the office (or home) i.e. by taxi, public transport or collection by another member of staff.

### **Driving Whilst Under the Influence of Alcohol and/or Drugs**

- 3.10 Drivers of grey fleet vehicles must not under any circumstances drink alcohol and drive during the working day, or use illegal drugs or any prescription or non-prescription drugs which will affect their ability to drive and work safely. Drivers must not arrive for work affected by drinking alcohol, prescription or non-prescription drugs to the extent that their driving ability is impaired. Failure to comply with these requirements will result in disciplinary action being taken. For further information see the Use of Alcohol and Drugs section of the Safety Policy.

### **Reporting of Road Traffic Collisions or Near Misses**

- 3.11 Drivers of privately owned or lease vehicles involved in a collision while driving on Council business shall contact their Service Manager at the earliest opportunity to inform them of the incident. Near misses should also be reported and then as soon as possible the incident must be entered onto the Council's Electronic Accident Reporting System

### **Responsibilities**

#### **3.12 Service Managers**

- 3.12.1 Managers with staff required to drive their own vehicles in order for them to complete their tasks shall be responsible for the following:

- checking that the member of staff has a current and valid license for the category of vehicle
- that the vehicle has a current MOT Certificate (for vehicles in excess of three years old)
- checking insurance details including for business use
- Ensure that checks are carried out on an annual basis

#### **3.13 Employee Duties**

- 3.13.1 Section 7 of the Health and Safety at Work Act places a duty on employees to co-operate and assist the Council in complying with its legal duties. They are also required to be aware of their own health and safety and that of others who may be affected by their activities. To this end, employees who drive on Council business using their own or lease vehicles are expected to comply with the following requirements:

- Keep their insurance and other vehicle related documents up-to-date.
- Make available copies of the required documents annually when requested to do so.

- Inform their line manager or supervisor of any changes in circumstances, e.g. penalty points convictions or change of vehicle.
- Have regular eye tests and ensure that any necessary corrective lenses for driving are worn.
- Read any updates that may periodically be issued on road safety matters. These will include information on good practice as well as forthcoming legal changes which affect those who drive whilst working.
- Inform their Service Manager immediately of any illness that may affect their ability to drive or if they have had their driving licence revoked on medical grounds.

## **GLOSSARY OF TERMS**

**Driver:** Any employee or other person who drives a vehicle either regularly or occasionally, including full-time and part-time drivers such as maintenance staff, technicians and employees who use vehicles as a means of transporting themselves or equipment or of carrying out duties in the course of the Council's business.

**Goods Vehicle:** Any vehicle constructed or adapted to carry goods other than heavy goods vehicles or 'O' licensed vehicles.

**Heavy Goods Vehicle:** Any vehicle over 3.5 tonne GVW for which the driver must hold a category C, C1 or C + E driving entitlement.

**Inspection:** Full roadworthiness check to MOT standards.

**Operating Centre:** The place at which vehicles are normally kept and where continuous and effective control is exercised by a qualified transport officer who is nominated as such on the Council's 'O' Licence and from which any category of vehicle may be operated.

**Operating Depot:** Any location where vehicles other than those that are 'O' licensed may be based.

**Maintenance:** All aspects of inspection, servicing and repair.

**Public Service Vehicle:** Vehicle adapted to carry more than eight passengers for which the driver must hold category D, D1 or D + E and used for carrying passengers for hire or reward. Vehicle adapted to carry less than eight people and used for carrying passengers for hire or reward at separate fares as part of a passenger carrying business.

**Servicing:** Routine scheduled checks, adjustments and changes of lubricating and other relevant fluids.

**Fleet Manager:** Employee specifically designated by a department to have overall responsibility for transport within the department.

**Transport Supervisor:** Anyone who is responsible for an operating base or the users of council vehicles.

**Vehicle:** Any vehicle owned or operated by or hired to the Council, including any trailer whether or not forming part of a vehicle combination.

**Grey Fleet:** Any Vehicle owned by an employee which is used in connection with the business of the Council.

## **APPENDIX A**

### **Principal Acts and Regulations**

#### **Transport Act 1986**

Set out the maximum driving time and hours of work on purely domestic operations for LGV and PCV(s).

#### **Road Traffic (Drivers' Ages and Hours of Work) Act 1976**

Provides for the extension of offences against drivers hours regulations to include the place where the offence first came to light, the place where the offence resides and the place of business and/or the operating centre.

#### **Motor Vehicle (Test) Regulations 1981**

Principal legislation for the provision of testing of vehicles less than 3,500kg for compliance to the Road Traffic Act 1988.

#### **Road Traffic (Construction and Use) Regulations 1986; Road Vehicle (Lighting Regulations) 1989**

Principal legislation covering the design, manufacture, maintenance and use on the roads of Great Britain of motor vehicles and trailers.

#### **Road Traffic Act 1988**

Principal Road Traffic Regulations covering Road Safety, Construction and Use of Vehicles and Equipment, Licensing of Drivers of Vehicles, Licensing of Drivers of Heavy Good Vehicles, Driving Instruction, Third Party Liabilities and Miscellaneous & General (identifies obligations of officers and individuals to co-operate with investigations).

#### **Road Traffic Offenders Act 1988**

Set processes for reporting, prosecution, sentencing of offences committed under the Road Traffic Act 1988.

#### **The Goods Vehicles (Planting and Testing) Regulations 1988**

Principal legislation for the provision of examination at test stations or other places considered appropriate by the Secretary of State of Goods Vehicles for the purpose of compliance with the Road Traffic Act 1988.

### **Road Traffic Act 1991**

Revises the Road Traffic Act 1988 in respect of Driving Offences, Drink and Drugs, Motoring Events, Danger to Road Users, Construction and Use Licensing of Drivers and Information as to Identity of Driver.

### **Vehicle Excise and Registration Act 1994**

**Repeats the Vehicle excise Act 1971.**

### **Goods Vehicles (Licensing of Operators) Act 1995**

Set the provision of Functions of traffic commissioners, Operators' licences, vehicles authorised to be used under a licence, Operating centres, Applications for licences, Determination of applications, Variation of licences, Conditions attached to licences, Interim licences and interim variations, Revocation etc. of operators' licences, Review of operating centres, Transfer of operating centres, Environmental matters, Inquiries, review of decisions and appeals, Forgery, False statements etc., Enforcement etc., Miscellaneous, Large goods vehicles, General provisions, regulations and orders and Interpretation.

### **Road Traffic (New Drivers) Act 1995**

New offences for newly qualified drivers who commit certain infringement within a given period of time after qualification.

### **The Minibus and Other Section 19 Permit Buses (Amendment) Regulations 1996**

Revise the driving entitlement for drivers after 1 January 1997 operating under Section 19 of the Road Traffic Act 1988.

### **Transport Act 2000**

Extends the scope of services operated under Section 19 (permit scheme) of the Road Traffic Act

### **Transport Act(s)**

Introduce minor changes to regulations i.e. Transport Act 2007 proposed changes to Section 19 and 22 of the Road traffic Act 1985 (permits in relation to the use of buses by educational and other bodies) and the delegation of powers.

### **Regulation (EC) 561/2006**

Sets the maximum weekly driving limits, breaks, rest periods and exemptions for vehicles operated within the European Community.



# Appendix B

## Vehicle / Trailer / Plant Check and Defect Report

To be checked by operator before use and monitored during use for Function/Damage/Cleanliness etc

N°	Daily check items	N°	Daily check items	N°	Daily check items
1.	Lights - Indicators, Brake, Headlights, Beacons etc Operational & Visible	9.	Wear & operation of Steering & Driving Control	20.	Access Steps - Damage, Wear, and Security
2.	Reflectors/Markers/Warning Devices etc	10.	Operation & Condition of Trailer Coupling & Connections	21.	Fuel Cap in place and not leaking
3.	Brakes, including Handbrake - Pressure, Operation, Leaks etc	11.	Operation & Condition of Trailer reflectors & Lights	Weekly checks	
4.	Damage to Vehicle Bodywork, Bumpers, number plates etc	12.	Trailer number plate - Condition of and security	1	Wheels- Condition and nut tightness
5.	Operation & Condition of Horns, Wipers, Washers etc	13.	Operation & Condition of the Tow Bar Safety Cable	2	Fluid Levels - Engine Oil, Coolant, Brake Fluid, Fuel, Washer bottle. Check for leaks
6.	Security & Condition of Mirrors	14.	Tyres - Pressure damage and wear (Van & Trailer)	3	Mirrors - Condition of, Operational, Correctly Aligned and Secure
7.	Seats - Secure and in correct driving position	15.	Vehicle Cab - Clean, tidy & Free from Loose Materials	4	Exhaust Security and damage
8.	Seat Belts - Secure and operating correctly	16.	Load - Within Limits, Secure and evenly Distributed	5	Fire Extinguisher full & in date. First Aid kit full & in date. Sharps Kit complete (If carried)

✓ = Roadworthy      x = Faulty

Day	✓ or x	Defect or faulty item(s) & reason. All Defects & Faults to be reported to the Fleet Department immediately
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Saturday		
Sunday		
Weekending Sunday	/ /	Print drivers name
Speedo Reading at the end of the week		Drivers Signature
Vehicle Description		Registration

**Accident Form**

<b>Vehicle Incident / Accident Report Form - Part A</b> (To be completed before end of working day and passed to supervisor)	Ref No	
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Date of Incident		Registration	
Time of incident		Third Party Registration	
Location of incident		Number of occupants in Third Party Vehicle	
Speed of your vehicle at the time of the incident		Speed of Third Party's vehicle at the time of the incident	
Have photographs of the accident scene been taken		Details of any injuries you have sustained	
Details of any injuries sustained by the Third Party(s)		If yes give name and contact details	

<b>Witness Details</b>		
Name	Address	Contact Number

<b>Give a full written description of how the incident occurred</b>

**Sketch the details of the incident and take measurements where possible**

Description of damage to your own vehicle		Description of damage to Third Party vehicle	
Description of damage to any static objects (Lamp posts, walls buildings barriers etc)		Name and address of Third Party	
Were any pedestrians involved in the incident		Insurance details of Third Party	
If yes did they go to hospital		Did the Police attend the incident	

<b>Vehicle Incident / Accident Report Form - Part B</b>		Ref No	
(To be completed before end of working day and passed to supervisor)			
Date of Incident		Registration	
Date of Incident Report		Make/Model	
Electronic Accident Log No		Address	
Drivers name			
CBC Driver or Agency			
Employee Number			
Service			
Is the driver authorised to drive the vehicle		D.o.B	
If the incident occurred at the home address, was the driver the authorised keeper overnight		Area	
Has the driver presented their driving licence for inspection within the last 12 months		Have the Police been informed	
Has the driver been convicted of any motoring offences within the past 12 months		Reference number	
Use of the vehicle at the time of the incident (e.g Work, Private)		Is the driver licensed to operate the vehicle involved in the incident	
		If so, has the line manager been informed	
		Date of the last driver assessment attended	
Has the driver been involved in any other vehicle incidents in the last three years, including any incidents that have occurred in vehicles other than vehicles provided for work			
Has the been convicted of any motoring offences in the last 5 years			
Date	Details of incident		
Any follow up action required by the drivers supervisor? If yes give brief details			
Signature of Driver		Signature of Supervisor	
Drivers Name		Supervisors Name	

Ensure incident is logged on electronic accident reporting system and a copy of this form is sent to Insurance section and Corporate H&S Manager

**DRIVING LICENCE CHECK FORM**
**CHESTERFIELD**  
 BOROUGH COUNCIL

Driving Licence Details			
Employees Name			
Line Manager			
Licence Type (i.e. UK1)			
Licence Number			
Issue Number			
Issue Date			
Driver to complete			
I confirm that I have given authority for my Driving Licence details to be checked electronically			
I can confirm that I have no medical conditions (such as eye sight or diabetes etc.) that affect my ability to drive legally			
Drivers signature			
Fleet and Facilities Manager to Complete			
I have checked the above Driving Licence online and confirm that the licence is valid			
I have checked the Personal Details are correct – (name, date of birth, address etc)			
Ages Restrictions – Use Guide to Driving Licences			
Restriction codes – Use Guide to Driving Licences			
Any new endorsements/disqualifications since last licence check if so, list below – Use Guide to Driving Offences & Penalty Points			
Code	Date of Conviction	Code	Date of Conviction
Name of Person Checking			
Signature			
Date check carried out			

## MEDICAL CONDITIONS

### **Bring the following to the attention of the employee.**

It is an offence for a person to drive on a road any vehicle otherwise than in accordance with a licence authorising them to drive it. It is also an offence for a person to cause or permit to cause another person to drive it

I am aware that any changes to the medical conditions or my health which affect my ability drive or drive safely must be reported to the Drivers Medical Unit, DVLA, Swansea, SA99 1TU and to my line manager.

### **The following conditions are reportable to the DVLA**

Epilepsy, fits, or blackouts

Severe and recurring disabling giddiness

Parkinson's Disease

Any chronic neurological condition, e.g. Multiple sclerosis, Motor Neurone Disease

Major or minor strokes

Brain surgery, brain tumour, severe head injury

Memory problems

Any mental ill health condition (including depression)

Any psychiatric illness requiring hospital admission

Dependence on or misuse of alcohol or drugs in the past three years

Sight in one eye only or visual problems affecting either eye

Diabetes controlled by diet/tablets/insulin

Any heart condition other than innocent heart murmurs

Peripherals arterial disease causing symptoms

Abdominal Aortic Aneurysm

Sleep Apnoea Syndrome/Narcolepsy/Cataplexy

Any other condition which causes excessive daytime or awake time sleepiness

Severe spinal injuries

Treatment for the following types of cancer or tumours in the last Five years - Lung, Melanoma, Non Hodgkin's Lymphoma

Aids

Behavioural problems, e.g Asperger's Syndrome

Chronic Renal Failure

Profound Deafness

Any other medical condition likely to affect your ability to safely control a vehicle, e.g Amputation, Impairment secondary to medication, Chronic Debilitating Illness

I confirm I have notified the DVLA and my line manager where applicable of any of the above that apply		
Name of Employee		Date
Signature of Employee		

**RISK ASSESSMENT FORM**  
(BASED ON HSE "FIVE STEPS TO RISK ASSESSMENT")

**CORPORATE ROAD RISK ASSESSMENT**

HAZARD (List)	PERSONS AT RISK AND HOW (Consider all persons, including those who may not be involved with the job)	EXISTING CONTROL MEASURES AND ADEQUACY (List the control measures appropriate to each hazard and consider the level of residual risk; is it high, medium or low)	ADDITIONAL REQUIREMENTS (If the residual risk is high, you must take additional practicable measures to reduce it, or abort the proposed task)
Excess Speed (Employee's vehicle)	Chesterfield Borough Council Employees Public <b>Worst Outcome - Multiple Fatality</b>	Employees to drive at a speed which is safe for the conditions, and certainly always within legal speed limits. Avoid confrontational situations.	<b>Chesterfield Borough Council</b> to carry out annual checks on Business Users' licences for endorsements and maintain records
Excess Speed (Others)	Chesterfield Borough Council Employees <b>Worst Outcome - Multiple Fatality</b>	Employees to be vigilant. Avoid confrontational situations. Park in safe areas only. Be aware when opening car doors, when parked.	Pedestrians to cross roads only at authorised locations.
Distractions whilst Driving	Chesterfield Borough Council Employees Public <b>Worst Outcome - Multiple Fatality</b>	<b>Drivers are NOT to use mobile telephones, including those equipped with 'hands free', or two way radios, when driving.</b>	
Fog or Other Poor Visibility Conditions	Chesterfield Borough Council Employees Public <b>Worst Outcome - Multiple Fatality</b>	Drivers to use dipped headlights and/or fog lights where appropriate. Use wipers. Drivers to proceed at a slow speed. (Always ensure stopping distance is not further than half distance of visibility).	<b>Note:</b> Do <b>not</b> use fog lights in clear conditions, especially when it is wet.

**RISK ASSESSMENT FORM**  
(BASED ON HSE "FIVE STEPS TO RISK ASSESSMENT")

**CORPORATE ROAD RISK ASSESSMENT**

<b>HAZARD</b> (List)	<b>PERSONS AT RISK AND HOW</b> (Consider all persons, including those who may not be involved with the job)	<b>EXISTING CONTROL MEASURES AND ADEQUACY</b> (List the control measures appropriate to each hazard and consider the level of residual risk; is it high, medium or low ?)	<b>ADDITIONAL REQUIREMENTS</b> (If the residual risk is high, you must take additional practicable measures to reduce it, or abort the proposed task)
Wet Conditions	Chesterfield Borough Council Employees Public <b>Worst Outcome - Multiple Fatality</b>	Drivers to use moderate speed to accommodate conditions. Exercise careful deliberate manoeuvres, no sudden changes in speed or direction. Maintain safe braking distance from vehicles in front. Ensure screen washers charged and serviceable. Use dipped headlights where appropriate.	In the event that driving visibility becomes seriously impaired due to very heavy rain, find a safe place to stop and wait for conditions to improve. Use hazard lights when stopped.  <b>Drivers should not use high intensity rear fog lights in wet conditions, unless there is also thick fog. (This can result in annoying other drivers).</b>
Snow and Ice	Chesterfield Borough Council Employees Public <b>Worst outcome - Multiple Fatality</b>	As above, plus the following :- Ensure screen de-icer is carried. Monitor weather reports (eg black ice). Drivers to carry spade where appropriate. Ensure adequate supply of warm clothing and hot drink if appropriate for journey. Carry mobile telephone, if available, and maintain regular contact with office	



**RISK ASSESSMENT FORM**  
(BASED ON HSE "FIVE STEPS TO RISK ASSESSMENT")

**CORPORATE ROAD RISK ASSESSMENT**

<b>HAZARD</b> (List)	<b>PERSONS AT RISK AND HOW</b> (Consider all persons, including those who may not be involved with the job)	<b>EXISTING CONTROL MEASURES AND ADEQUACY</b> (List the control measures appropriate to each hazard and consider the level of residual risk; is it high, medium or low ?)	<b>ADDITIONAL REQUIREMENTS</b> (If the residual risk is high, you must take additional practicable measures to reduce it, or abort the proposed task)
Driver Fatigue	Chesterfield Borough Council Employees Public <b>Worst Outcome - Multiple Fatality</b>	Drivers to carry personal identification. Drivers to prepare for long journeys by having adequate rest prior to travelling. Drivers to stop for reasonable breaks at least every two hours. Share driving where possible on long journeys. Driver training to recognise symptoms of fatigue. Drivers to avoid medications which induce tiredness. Prescribed drugs to be taken only in accordance with doctor's instructions.	At the first recognised signs of fatigue, drivers to pull over for rest and/or change of driver. <b>No other drugs</b> <b>No alcohol</b>
Aggression from other Drivers ("Road rage")	Chesterfield Borough Council Employees <b>Worst Outcome - Multiple Fatality</b>	Always carry mobile telephone and Personal Attack Alarm, if available, when travelling alone. Avoid confrontational situations, wherever possible. If threatened with violence, drivers should :- (a) Stay in car, lock doors, ignore intimidation. If appropriate pull off road (b) Telephone police (999). (c) Put on headlights and hazard lights (d) Sound horn to attract assistance (e) Be prepared to shield from broken glass. (Coat etc.) (f) Note and write down offender's vehicle type and number.	<b>Do not get out of car, open door or windows.</b>

**RISK ASSESSMENT FORM**  
(BASED ON HSE "FIVE STEPS TO RISK ASSESSMENT")

**CORPORATE ROAD RISK ASSESSMENT**

HAZARD (List)	PERSONS AT RISK AND HOW (Consider all persons, including those who may not be involved with the job)	EXISTING CONTROL MEASURES AND ADEQUACY (List the control measures appropriate to each hazard and consider the level of residual risk; is it high, medium or low ?)	ADDITIONAL REQUIREMENTS (If the residual risk is high, you must take additional practicable measures to reduce it, or abort the proposed task)
Road Works/Temporary surfaces  Reversing Vehicles	<p>Chesterfield Borough Council Employees Public Road Works Contractors' Employees</p> <p><b>Worst Outcome - Multiple Fatality</b></p> <p>Chesterfield Borough Council Employee Public</p> <p><b>Worst Outcome - Multiple Fatality</b></p>	<p>Drivers to proceed with caution at appropriate speed. Observe all traffic speed limits and controls. Be vigilant for roadside operatives. If directed into dangerous situations, due to faulty controls etc., use hazard lights.</p> <p>In confined spaces or poor visibility conditions, use passenger if available to act as lookout or banksman, standing to rear and side of vehicle (always in view of driver). If unsure leave vehicle to look behind for small children etc. Ensure reversing lights are working and all mirrors are serviceable.</p>	<p><b>In addition:</b></p> <p><b>For all vans/trucks lorries etc. always use banksman. Vehicle to be fitted with audio reversing indication device. Driver to stop immediately, if visual contact is lost with banksman</b></p>

# FLEET STRATEGY ACTION PLAN



**CHESTERFIELD**  
BOROUGH COUNCIL

Task Ref.	Key Tasks	Milestones	Outcomes e.g. VFM, Access, E&D	Task Manager/ Resources - Budget	Start Date	Target Date	R.A.G. Status	Month Commentary	
<b>OBJECTIVE 1: Relocation of Mayors car to OSD</b>									
1001	Removal of garage rental costs	Purpose built garage to be erected at Stonegravels depot	VFM, more secure site for the vehicle and the Council's chauffeur	Martyn Bollands	Within existing budget	Oct-13	Apr-14	Completed	There is presently no rent being charged.
		Removal of rental costs from old storage unit	A more modern and suitable site for the Council's Mayoral vehicle	Martyn Bollands	Within existing budget	Oct-13	Apr-14	Completed	Relasing the previous unit where the mayors car was kept has saved £4k per annum

**OBJECTIVE 2: Fuel usage review**

2001	Refueling costs	Explore re-fuelling costs and models for Council vehicles. This will include comparing external purchase of fuel with the provision of additional fuel tanks on site	VFM	Fleet and Facilities Manager	Within existing budget	Sep-15	Feb-16		Last procurement exercise carried out by the Shared Procurement Unit and needs revisiting.
2002		Identify Alternative suppliers and obtain quotations	VFM	Fleet and Facilities Manager/GPGS Team	Within existing budget	Mar-16	Apr-16		A recent GPGS trial of usin fuel additives provided no evidence of fuel savings or enhanced MPG in vehicles
2003	Fuel types of vehicles	Identify and explore alternative fuelled vehicles (electric/hybrid)	Environmental	Fleet and Facilities Manager	Within existing budget	Apr-16	Sep-16		In 2011 an electric van was trialled but found to be not fit for purpose. Technology has now moved on and modern hybrids/electric vehicles need to be considered

<b>OBJECTIVE 3: Vehicle utilisation and type of vehicles used</b>									
3001	Potential to reduce costs at fleet replacement	Fitting type of vehicle to work requirements	VFM	Fleet and Facilities Manager	Within existing budget	Sep-15	Apr-16		This is not the procurement of vehicles, this is matching vehicles to tasks to ensure all are appropriate and fit for purpose.
3002		Challenge departments in respect of the type and number of vehicles used	VFM	Service Managers	Within existing budget	Nov-15	May-16		
<b>OBJECTIVE 4: Changing long term hire to lease</b>									
4001	Reduce supplementary monthly fleet payments	Reduce long term hire vehicles	VFM	Fleet and Facilities Manager	Within existing budget	Sep-16	Dec-16		This relates principally to vehicles within Environmental Services
4002		Use of long term hire vehicles to be challenged	VFM	Service Managers	Within existing budget	Sep-16	Dec-16		
<b>OBJECTIVE 5: Review breakdown cover for owned vehicles</b>									
5001	Retaining suitable breakdown cover whilst reducing annual cost	Identify Alternative suppliers and obtain quotations	VFM	Fleet and Facilities Manager	Within existing budget	Jul-15	Aug-15	Completed. The RAC have been procured to provide this service.	The quality of service must be evaluated alongside price
<b>OBJECTIVE 6: Review Service Maintenance and Repair suppliers</b>									
6001	Identify Alternative suppliers and obtain quotations relating to vehicles in council ownership	Negotiating cheaper labour rates and parts discounts.	VFM	Fleet and Facilities Manager	Within existing budget	Sep-15	Dec-15		Where possible local suppliers will be procured

<b>OBJECTIVE 7: Review lease suppliers</b>									
7001	To review of the procurement process for fleet procurement (i.e. corporate procurement vs. national frameworks)	Best value supplier identified and service arranged	VFM	Fleet and Facilites Manager	Within existing budget	Mar-16	Jun-16		Presently considering extending the current fleet from 5 to 6 or 7 years lease before embarking on a full procurement process for renewal at 5 years.
<b>OBJECTIVE 8: Incident Management and Uninsured Loss Recovery</b>									
8001	Pursuit of costs where Third Party is at fault	Carry out review to establish if the Council would be likely to achieve savings from introducing a formal recovery process	VFM	Fleet and Facilites Manager/Insurance Officer	Initial cost to be budgeted with recovery of costs within set period	Nov-14	Oct-15	Completed	To be included in annual Insurance at no added cost
<b>OBJECTIVE 9: Review short term hire suppliers</b>									
9001	Review and re-negotiating for better rates/service	Identify Alternative suppliers and obtain quotations	VFM	Fleet and Facilites Manager	Within existing budget	Sep-15	Dec-15		This also refers to the need to challenge service managers to look at redeployment of existing vehicles before adding short term hire vehicles.
9002		Ensuring procurement of fleet fully meets Councils criteria.	VFM	Fleet and Facilites Manager	Within existing budget	Sep-15	Dec-15		This will include a review that will consider teams sharing vehicles and reducing the overall number

<b>OBJECTIVE 10: Introduce electronic licence checking</b>									
10001	Introduce accurate licence checking ensuring that all drivers are legally compliant	All drivers of Council vehicles have had their licence checked on the DVLA website	VFM	Fleet and Facilities Manager	Cost to be budgeted	Feb-15	Apr-16	Completed	Following consultation, agreement has been reached out with the Unions to enable electronic licence checking via DVLA website following the removal of paper licences
<b>OBJECTIVE 11: Alcohol and drugs policy</b>									
11001	Ensure the Council is compliant regarding its statutory duties with regards to driving under the influence of alcohol or drugs	Implement any changes to the Council's corporate policy on alcohol and drugs	Statutory Obligations - Legal requirement from April 2015 to demonstrate organisational policy	Human Resources department and Health and Safety Department	Cost to be budgeted	Jul-15	Oct-15		The Council's Health and Safety Officer is proposing a new policy which is presently in the consultation stage
<b>OBJECTIVE 12: Establish KPIs for Fleet Management</b>									
12001	Manage performance of the use of the Fleet	Identify suitable KPIs that relate to Fleet Management	Fleet KPI published and promoted	Fleet and Facilities Manager	Within existing budget	Jan-16	Aug-16		This will relate to Health and Safety and vehicle accident records. It will also relate to wider issues of fuel usage, percentage of time in use and travel records etc.

<b>OBJECTIVE 13: Review Management of Grey Fleet</b>									
13001	Review the seperate management of the core and grey fleets to ensure consistency across the Council	Core Fleet Manager to meet with Grey Fleet Manager to ensure consistency of management and application of corporate policies and procedures.	One approach to the management of Grey Fleet and White Fleet	Fleet and Facilites Manager and Grey Fleet Manager	Within existing budget	Mar-16	Oct-16		This will be further reviewed when the new management structure is in place.
<b>OBJECTIVE 14: Review fleet database</b>									
14001	Improve management of the corporate fleet	Review what IT programmes are available on the market	Application used	Fleet and Facilites Manager	Cost to be budgeted	Apr-16	Sep-16	Completed	The present database is fit for purpose at the present time.
<b>OBJECTIVE 15: Risk assessments from Service Managers</b>									
15001	Risks associated with Fleet vehicles	Ensure Risk Assesments are reviewed and updated on a regular basis	Risk Assesments obtained	Fleet and Facilites Manager	Within existing budget	Apr-15	Mar-16	Ongoing	Members of the TOWG are currently working on these.
<b>OBJECTIVE 16: Revise policy for dealing with accidents</b>									
16003	Management of Accident process	Review the policy of accident reporting.		Fleet and Facilites Manager	Within existing budget	Apr-15	Mar-16	Partially complete	OSD has incorporated the Councils' disciplinary process and related it to accident management. This is to be rolled out across deparments by other Service Managers



<b>OBJECTIVE 17: Corporate Branding for fleet renewal</b>									
17001	Introduce new Council Branding	Obtain templates to forward to suppliers		Fleet and Facilites Manager	Within existing budget	Apr-15	Jun-15	Completed	The new logo approved by the Council is presently being affixed to new vehicles.
<b>OBJECTIVE 18: Review tracker usage</b>									
18001	Review benefits of tracking system against cost	Establish savings that could be made with removal of tracking system whilst ensuring the Council meets all statutory duties	VFM	Fleet and Facilites Manager	Within existing budget	Sep-16	Dec-16		OSD Tracker contract to complete Oct 2016
<b>OBJECTIVE 19: Review Vehicle telematics</b>									
19001	Maintaining statutory functions whilst reducing annual cost	Identify Alternative suppliers and obtain quotations	VFM	Fleet and Facilites Manager	Within existing budget	Apr-15	Jul-15		This will be linked to driver training and driving techniques
<b>OBJECTIVE 20: Review driver training</b>									
20001	Improving the delivery of driver training and reducing annual cost	Review benefits of current driver training process in place	VFM	Fleet and Facilites Manager / Service Managers	Within existing budget	Apr-15	Oct-15	Ongoing	Corporate Health & Safety to examine alternative training methods

**OBJECTIVE 21: Demonstrate efficiencies and capture Savings**

21001	Capture savings made since introduction on the corporate fleet manager	Costs being recorded	VFM	Fleet and Facilites Manager	Within existing budget	Apr-14	Jun-16		See below for Quantifiable and Non-quantifiable savings.
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<b>OBJECTIVE 21</b>	<b>Quantifiable savings</b>
	<ul style="list-style-type: none"> <li>The provision of the Mayors garage saves £4000 per annum rental fees.</li> </ul>
	<ul style="list-style-type: none"> <li>With the fuel cards there is a transaction charge of £1.95 if Tesco's is not used. Based on OSD's figures alone there are nearly 2700 transactions per year. Prior to the instruction approximately 1/3 of transactions were not at Tesco's, since the instruction there has only been a few emergency reasons to use other suppliers. This has saved nearly £2000pa.</li> </ul>
	<ul style="list-style-type: none"> <li>The renewal of the breakdown cover for the Councils' owned vehicles has produced a saving of £185.00 which is a saving of around 35% on the previous supplier.</li> </ul>
	<b>Non-quantifiable savings</b>
	<ul style="list-style-type: none"> <li>Now having a service vehicle permanently stationed at the local garage supplier has saved on hours for each change over during the servicing/repair period.</li> <li>By changing suppliers from main dealer network to a local supplier vehicle downtime has been reduced along with cost for the Owned vehicles.</li> <li>There have been many incidents where departments have been challenged to make better use of the vehicles they have rather than the simple solution of ordering another hire vehicle in.</li> <li>Time has been saved for individual service managers who previously had to deal with the day to day running of their fleets, including arranging servicing, licence checks, van checks, dealing with suppliers and dealing with queries from drivers. The Fleet Manager now deals directly with all these issues.</li> </ul>

## Chesterfield Borough Council

### Equality Impact Assessment - Preliminary Assessment Form

The preliminary impact assessment is a quick and easy screening process. It should identify those policies, projects, services, functions or strategies which require a full EIA by looking at negative, positive or no impact on any of the equality groups.

Service Area: Housing  
Section: Operational Services Division  
Lead Officer: Martyn Bollands

Title of the policy, project, service, function or strategy the preliminary EIA is being produced for:

Is the policy, project, service, function or strategy:

Existing   
Changed

Q1 - What is the aim of your policy or new service?

The report is for updating the management of the Council Fleet. This principally updates the transport code of practice.

Q2 - Who is the policy or service going to benefit?

The approval of the report is going to benefit the workforce who manage the Council's fleet and operatives who drive the fleet. The code of practice provides a working document for all concerned, clarifies the Council's policy in relation to core and grey fleet and ensures Health and Safety is maintained to the highest standard.

Q3 - Thinking about each group below, does, or could the policy, project, service, function or strategy have an impact on protected characteristics

below? You may also need to think about sub groups within each characteristic e.g. older women, younger men, disabled women etc.

Please tick the appropriate columns for each group.

<b>Group or Protected Characteristics</b>	<b>Potentially positive impact</b>	<b>Potentially negative impact</b>	<b>No impact</b>
Age – including older people and younger people.			X
Disabled people – physical, mental and sensory including learning disabled people and people living with HIV/Aids and cancer.			X
Gender – men, women and transgender.			X
Marital status including civil partnership.			X
Pregnant women and people on maternity/paternity. Also consider breastfeeding mothers.			X
Sexual Orientation – Heterosexual, Lesbian, gay men and bi-sexual people.			X
Ethnic Groups			X
Religions and Beliefs including those with no religion and/or beliefs.			X
Other groups e.g. those experiencing deprivation and/or health inequalities.			X

If you have answered that the policy, project, service, function or strategy could potentially have a negative impact on any of the above characteristics then a full EIA will be required.

Q4 - Should a full EIA be completed for this policy, project, service, function or strategy?

No

Q5 - Reasons for this decision:

This is an update for an existing code of practice.

Please e-mail this form to the Policy Service before moving this work forward so that we can confirm that either a full EIA is not needed or offer you further advice and support should a full EIA be necessary.

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## **FOR PUBLICATION**

### **VAT TREATMENT OF VENUE HIRE** **T250**

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MEETING:	(1) CABINET (2) CABINET MEMBER FOR TOWN CENTRE & VISITOR ECONOMY
DATE:	(1) 22 SEPTEMBER 2015 (2) 14 SEPTEMBER 2015
REPORT BY:	ARTS AND VENUES MANAGER
WARD:	ALL
COMMUNITY ASSEMBLY:	ALL
KEY DECISION REFERENCE:	552

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#### FOR PUBLICATION

BACKGROUND PAPERS    None

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#### 1.0    **PURPOSE OF REPORT**

1.1    To advise members of the proposed changes to the application of VAT in respect of the Council's theatres and associated facilities and services.

#### 2.0    **RECOMMENDATIONS**

2.1    To recommend for approval that VAT is charged on all new hires at the Winding Wheel and Pomegranate Theatre as from 1 October 2015, as required by HM Revenue and Customs.

2.2    That all existing hire agreements at the Winding Wheel and Pomegranate Theatre are to be honoured at the previously agreed rates.

2.3 That the regular hirers at the Winding Wheel, who have a rolling hire agreement with the Council, will commence paying VAT on bookings from 1 April 2016, on the renewal of their agreement.

2.4 That no VAT is charged on hires at Hasland Village Hall.

### 3.0 **BACKGROUND**

3.1 VAT is levied on most goods and services provided by registered businesses in the UK. The default VAT rate is the standard rate, 20% since 4 January 2011. Some goods and services are subject to VAT at a reduced rate of 5% (such as domestic fuel) or 0% (such as most food and children's clothing). Others are exempt from VAT or outside the system altogether.

3.2 Supplies of land and buildings, such as freehold sales, leasing or renting, are normally exempt from VAT. However, the owner can opt to tax land.

3.3 The Council owns the following buildings: Pomegranate Theatre, Winding Wheel, Hasland Village Hall and the Market Hall, and hires out part of these premises to third parties.

3.4 The Council opted to tax the Market Hall (which includes the Assembly Rooms) due to the intrinsic commercial nature of the building, but it did not opt to tax the Pomegranate Theatre, Winding Wheel, and Hasland Village Hall.

### 4.0 **CURRENT SITUATION**

4.1 Currently VAT is not charged on the hire of rooms at the Winding Wheel or Hasland Village Hall. VAT is charged on the hire of rooms at the Assembly Rooms at the Market Hall; whilst at the Pomegranate Theatre, VAT is currently charged on 60% of the value of the theatre hire cost. This level of VAT was agreed with HM Revenues and Customs (HMRC) some years ago.

4.2 Where separately identified, VAT is charged on the supply of services in addition to the room hire. Typically this might include the hire of technical equipment, the provision of technical staff, or catering services.

4.3 Currently all hires of the Pomegranate Theatre include the supply of services in addition to the room hire, such as the provision of technical and front of house staff, and box office services. These services are not separately identified and are included in the theatre hire cost. The



current fees and charges for the Pomegranate Theatre are included in Appendix 1.

- 4.4 Most of the room lettings at the Winding Wheel also require additional services, and these are separately identified and VAT is charged for the supply of these services. However, VAT is not charged for theatrical hire of the Winding Wheel and this does include the supply of services in addition to the room hire, such as the provision of technical and front of house staff, and box office services. These services are not separately identified and are included in the theatre hire cost. The current fees and charges for the Winding Wheel are included in Appendix 2.
- 4.5 The vast majority of the lettings of Hasland Village Hall are for the use of the hall, and/or kitchen and /or meeting room and do not require any additional services to be provided. The current fees and charges for Hasland Village Hall are included in Appendix 3.

## **5.0 VAT TREATMENT**

- 5.1 Following queries recently raised by a number of other local authorities, which manage theatres, HMRC and the Chartered Institute of Public Finance and Accountancy (CIPFA) have issued new guidance on theatre hire.
- 5.2 The advice from HMRC concludes:
- “If various services and facilities are to be provided alongside the interest in land it would be difficult for a local authority to argue that it is undertaking a passive activity in simply supplying an interest in land. As a result it is likely that in the majority of cases what is being supplied is a single taxable supply of theatrical facilities rather than an exempt interest in land because the nature of the supply is not just that of the land itself which means it can never be exempt.” A copy of the full memo received from HMRC is attached at Appendix 4.
- 5.2 CIPFA has accepted HMRC’s position on theatre hire, that it is a standard rate supply of facilities. A copy of CIPFA’s guidance is attached at Appendix 5.
- 5.3 The implication of this advice is that where other services are provided in addition to the hire of a room and in connection with the hire, then the hire of the room may not be treated as VAT exempt. In accordance with this updated advice hires at the Winding Wheel and the Pomegranate Theatre should be subject to VAT.

## 6.0 **PROPOSAL**

- 6.1 VAT is to be charged on all hires of the Winding Wheel for all new hires as from 1 October 2015. The schedule of fees and charges is to be altered to include VAT as from this date.
- 6.2 VAT is to be charged on 100% of the theatre hire cost of the Pomegranate Theatre for all new hires as from 1 October 2015. The schedule of fees and charges are to be altered to include VAT as from this date.
- 6.3 Following advice from the Council's legal services, it is proposed that all existing hire agreements at the rates agreed are to be honoured.
- 6.4 However, the small number of regular hirers at the Winding Wheel who have a rolling hire agreement with the Council are to be written to with details of the necessary changes to VAT treatment of the hire of theatres. It is proposed that VAT will be charged on future bookings from 1 April 2016 on the renewal of their agreement.
- 6.5 Because the majority of room bookings at Hasland Village Hall do not require any additional services to be provided, room hire charges will continue to be classified as VAT exempt.
- 6.6 It should be noted that the theatres at Mansfield and Newark, both managed by their respective local authorities, introduced VAT on their premises hire charges earlier this year.

## 7.0 **FINANCIAL IMPLICATIONS**

- 7.1 The income from lettings at the Winding Wheel was approximately £86,000 for the 2014/15 financial year. No VAT was charged on this income.
- 7.2 The income from theatre hire at the Pomegranate Theatre was approximately £88,000 for the 2014/15 financial year. VAT was charged on 60% of this income.
- 7.3 The income from lettings at the Hasland Village Hall was approximately £24,000 for the 2014/15 financial year. No VAT was charged on this income.
- 7.4 Everything else being equal, based on 2014/15 figures, if VAT was charged as proposed, approximately £17,200 VAT would be charged on

Winding Wheel lettings , and an additional £7,040 would be charged on Pomegranate Theatre hire.

- 7.5 The charging of VAT will impact on hirers in different ways. Those hirers who are already registered for VAT would be able to offset the VAT payable on theatre /room hire against the VAT due to HMRC on their income, and therefore would not be affected by the change.
- 7.6 However, for those hirers who are not registered for VAT, the charging of VAT on theatre/room hire would be equivalent to a 20% increase on rates for those hiring the Winding Wheel, and approximately 7% increase on rates for those hiring the Pomegranate Theatre.
- 7.7 Many of the hirers at the Winding Wheel are registered for VAT. Currently fifteen of the twenty six hirers are registered for VAT, and this is approximately 58%.
- 7.8 However, very few of the hirers of the Pomegranate Theatre are registered for VAT. Currently three of the twenty one hirers are registered for VAT, and this is approximately 14%.
- 7.9 It is important that the Council applies VAT to the hire charges at the Winding Wheel and Pomegranate Theatre as soon as is practicably possible. HMRC could determine that VAT should have been charged earlier and the Council may have to re-pay VAT on historical transactions, and also possibly interest and penalties. However, the guidance from HMRC was given in December 2014 and CIPFA confirms that this represents a change in policy. The Council's exposure is therefore limited.

## **8.0 RISK MANAGEMENT**

- 8.1 The table below outlines the risks and mitigation actions related to this project.

<b>Description of the Risk</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Mitigating Action</b>
HMRC determine that VAT should be charged on hire fees for the Winding Wheel and Pomegranate Theatre	Medium	Possible	Introduce the charging of VAT on hires asap.

<b>Description of the Risk</b>	<b>Impact</b>	<b>Likelihood</b>	<b>Mitigating Action</b>
HMRC determine that VAT should be charged on hire of Hasland Village Hall	Low	Unlikely	Maintain accurate records of what was provided to hirers in addition to room hire.
Existing hirers object to increase in hire fee	Medium	Possible	Clear early communication to hirers of proposed changes.
Commercial impact on increased hire fees for the Winding Wheel and Pomegranate Theatre	Medium	Possible	Consider the impact of the introduction of VAT on theatre hires when reviewing fees and charges for 2016.
Decreased number of community group hirers	Medium	Possible	Offer existing community groups the use of facilities at Hasland Village Hall or the Assembly Rooms

## **9.0 EQUALITIES IMPACT ASSESSMENT (EIA)**

9.1 The Council has agreed both a Venues Programming Policy and an Arts and Culture Strategy. These documents identify, in more detail, the impact that these proposed price increases will have on the various equalities groups and an action plan to militate against any negative impact will be developed. The Equality Impact Assessments are available from the Policy Service.

## **10.0 ALTERNATIVE OPTIONS TO BE CONSIDERED**

10.1 The Council could reduce the base hire charges at both the Pomegranate Theatre and Winding Wheel, which would result in payment of VAT, as required, but the hirer not being subject to a rise in hire tariffs.

10.2 The Venues Review carried out in 2011 concluded that in order to secure the long term sustainability of the service the Council's subsidy needed to be reduced. One of the mechanisms identified within the Review was to adjust hire rates, which were considered to be too low. At that time the existing community hire rates at both venues did not adequately cover the running costs. It was estimated that community hire rates were approximately 25% too low at the Pomegranate Theatre and 12% too low at the Winding Wheel, if the costs of hire was to be recovered. It was subsequently agreed by Cabinet that hire rates should reflect the actual costs incurred and new charges should be introduced, on a phased basis, over a three year period to achieve this aim. Hire charges have subsequently been increased and we are now in a position where hire charges do cover the running costs. To reduce the base hire charges would undermine the achievements made to date and will increase the Council's subsidy.

## **11.0 RECOMMENDATIONS**

11.1 To recommend for approval that VAT is charged on all hires at the Winding Wheel and Pomegranate Theatre as from 1 October 2015, as required by HM Revenue and Customs.

11.2 That all existing hire agreements at the Winding Wheel and Pomegranate Theatre are to be honoured at the previously agreed rates.

11.3 That regular hirers at the Winding Wheel, who have a rolling hire agreement with the Council, will commence paying VAT on bookings from 1 April 2016 on the renewal of their agreement.

11.4 That no VAT is charged on hires at Hasland Village Hall.

## **12.0 REASONS FOR RECOMMENDATIONS**

12.1 To ensure that the Council complies with current VAT requirements.

You can get more information about this report from Anthony Radford (Tel: 01246 345339).

ANTHONY RADFORD  
ARTS AND VENUES MANAGER

Officer recommendation supported.

*A Serjeant*

Signed

Cabinet Member

Date 14/9/2015

Consultee Cabinet Member/Deputy Cabinet Member comments (if applicable)/declaration of interests

N/A

## APPENDIX 1

### CHESTERFIELD THEATRES

#### Pomegranate Theatre Hire Charges 1st April 2015

Charities, Amateur Musical, Drama Societies and Educational Establishments

	<b>Core hours</b>	<b>Charge for up to eight hours</b>	<b>For each extra hour or part thereof</b>	<b>Hours before or after core hours</b>	<b>Additional Performance</b>
Monday	9am-10pm	£440.00	£55.00	£82.50	
Tuesday	9am-10pm	£440.00	£55.00	£82.50	
Wednesday	9am-10pm	£440.00	£55.00	£82.50	
Thursday	9am-10pm	£440.00	£55.00	£82.50	
Friday	9am-10pm	£600.00	£75.00	£112.50	
Saturday	9am-10pm	£600.00	£75.00	£112.50	
Sunday	9.30am-5.30pm	£740.00		£185.00	
Bank Holiday	9.30am-5.30pm	£740.00		£185.00	
	<b>Performance</b>				
Monday	9am-10pm	£880.00	£110.00	£165.00	£192.00
Tuesday	9am-10pm	£880.00	£110.00	£165.00	£192.00
Wednesday	9am-10pm	£880.00	£110.00	£165.00	£192.00
Thursday	9am-10pm	£1,200.00	£150.00	£225.00	£192.00
Friday	9am-10pm	£1,200.00	£150.00	£225.00	£192.00
Saturday	9am-10pm	£1,200.00	£150.00	£225.00	£255.00
Sunday	9.30am-10pm	£1,480.00	£185.00	£370.00	£255.00
Bank Holiday	9.30am-10pm	£1,480.00	£185.00	£370.00	£255.00

Terms: The Hirer shall pay the minimum hire fee as calculated from these charges or 25% of Box Office takings whichever is the greater + Vat (N.B. 60% of all building hire charges are subject to VAT)

Any additional hours, as described in the list of Hire Charges and any additional technical requirements to be mutually agreed and recharged to the Visiting Manager.

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# CHESTERFIELD VENUES

**WINDING WHEEL** 13 Holywell Street, Chesterfield. S41 7SA

## APPENDIX 2



Booking Enquiries:

**Chesterfield Visitor Information Centre**, Rykneld Square, Chesterfield S40 1SB

Tel (01246) 345333 9.30am - 5pm Monday to Friday

E mail [venuehire@chesterfield.gov.uk](mailto:venuehire@chesterfield.gov.uk)

[www.chesterfieldvenuehire.co.uk](http://www.chesterfieldvenuehire.co.uk)

### Scale of Charges 1<sup>st</sup> April 2015

<b>COMMUNITY CHARGE RATES</b>		<b>WINDING WHEEL AUDITORIUM</b>	<b>WINDING WHEEL BALLROOM</b>	<b>WINDING WHEEL FUNCTION ROOM</b>
All Bookings are subject to a minimum of <b>three</b> hours booking (excluding kitchens) £150.00 minimum hire charge applies.  Rooms should be booked to include setting up and clearing away time and if a bar is arranged one hour after the bar closes.		300 - 600 persons	100 - 200 persons	30 - 120 Persons
		Hourly Rate £	Hourly Rate £	Hourly Rate £
<b>Community Charge</b> Private, Social events, non-profit making clubs, charity events Monday - Friday meetings etc.  *SUNDAYS - add £40 to Fri – Sun rates per function.	Mon – Thurs pre 5pm	39.00	30.00	21.00
	Mon – Thurs after 5pm	64.00	35.00	30.00
	Fri – Sun* pre 5pm	54.00	44.00	36.00
	Fri – Sun* after 5pm	80.00	50.00	40.00
	CIRCLE	13.00		
	KITCHEN - per hour	6.30	6.30	6.30
SERVERY - per event	12.00	12.00	12.00	
Large event discount (20%) for bookings of all rooms for more than 1 day on consecutive days.				
<b>Community Discount</b> Discounted rate to non-profit making clubs or associations who block book 10 or more dates excluding Saturday/Sunday with 1 month flexibility clause re venue/time	Mon - Fri pre 5pm	31.00	24.00	17.00
	Mon - Fri after 5pm	51.00	28.00	24.00
	KITCHEN - per hour	5.00	5.00	5.00
	SERVERY - per event	10.00	10.00	10.00
<b>STAFFING CHARGES</b>				
Duty Manager: £18.00 per hour incl. vat		Caretaker: £14.40 per hour incl. vat		
Security Staff: £18.00 per hour incl. vat		Front of House Staff: £12.00 per hour incl. vat		

*(The above prices are exempt from Vat charges except where stated)*

### **BANK HOLIDAY HIRINGS: BY NEGOTIATION ONLY AT DOUBLE RATES.**

All customers must pay a holding deposit of £100 or 10% of hire charge at the time of booking.

This 'deposit' is payable on top of the hire charge, and will be refunded after the event if no damage arises.

**The Deposit will not be refunded if the event is cancelled.**

The remaining hire charges are payable **four** weeks before the event or immediately if the booking is made within this period.

Please make cheques payable to *Chesterfield Borough Council – Credit / Debit Cards accepted.*

# CHESTERFIELD BOROUGH COUNCIL

**WINDING WHEEL** 13 Holywell Street, Chesterfield. S41 7SA



Booking Enquiries:

**Chesterfield Visitor Information Centre**, Rykneld Square, Chesterfield S40 1SB

Tel (01246) 345333 9.30am - 5pm Monday to Friday

E mail [venuehire@chesterfield.gov.uk](mailto:venuehire@chesterfield.gov.uk)

[www.chesterfieldvenuehire.co.uk](http://www.chesterfieldvenuehire.co.uk)

## Scale of Charges 1<sup>st</sup> April 2015

<b>COMMERCIAL HIRE CHARGES</b>		<b>WINDING WHEEL AUDITORIUM</b>	<b>WINDING WHEEL BALLROOM</b>	<b>WINDING WHEEL FUNCTION ROOM</b>
All Bookings are subject to a minimum of <b>three</b> hours booking (excluding kitchens) £150.00 minimum hire charge applies.		300 - 600 persons	100 – 200 persons	30 - 120 persons
Rooms should be booked to include setting up and clearing away time and if a bar is arranged one hour after the bar closes.		Hourly Rate £	Hourly Rate £	Hourly Rate £
<b>COMMERCIAL HIRINGS</b>  *SUNDAYS - add £40 to Fri – Sun rates per function.	Mon - Thurs pre 5pm	80.00	60.00	43.00
	Mon - Thurs after 5pm	130.00	70.00	58.00
	Fri - Sun pre 5pm	110.00	90.00	72.00
	Fri - Sun after 5pm	160.00	100.00	85.00
	CIRCLE	26.00		
	KITCHEN - per hour	10.00	10.00	10.00
	SERVERY - per function	16.00	16.00	16.00
<b>Block Booking Discount</b> Discount to commercial organisations making a block booking of 10 or more dates. 1 month flexibility clause re venue and or time applies.  SUNDAYS ADD £40 TO FRI - SUN RATES PER FUNCTION	Mon - Thurs pre 5pm	64.00	48.00	34.00
	Mon - Thurs after 5pm	104.00	56.00	46.00
	Fri - Sun pre 5pm	88.00	72.00	57.00
	Fri - Sun after 5pm	128.00	80.00	69.00
	KITCHEN - per hour	8.00	8.00	8.00
	SERVERY - per function	14.00	14.00	14.00
<b>STAFFING CHARGES</b>				
Duty Manager: £18.00 per hour incl. vat		Caretaker: £14.40 per hour incl. vat		
Security Staff: £18.00 per hour incl. vat		Front of House Staff: £12.00 per hour incl. vat		

*(The above prices are exempt from Vat charges except where stated)*

### **BANK HOLIDAY HIRINGS: BY NEGOTIATION ONLY AT DOUBLE RATES.**

All customers must pay a holding deposit of £100 or 10% of hire charge at the time of booking.

This 'deposit' is payable on top of the hire charge, and will be refunded after the event if no damage arises.

**The Deposit will not be refunded if the event is cancelled.**

The remaining hire charges are payable **four** weeks before the event, or immediately if the booking is made within this period. Please make cheques payable to *Chesterfield Borough Council* – Credit / Debit Cards accepted.

## CHESTERFIELD VENUES

### WINDING WHEEL THEATRE

13 Holywell Street, Chesterfield. S41 7SA

Tel (01246) 345333 9am - 4pm Monday to Friday

[E mail venuehire@chesterfield.gov.uk](mailto:venuehire@chesterfield.gov.uk)

[www.chesterfieldvenues.co.uk](http://www.chesterfieldvenues.co.uk)

### Hire Charges 1st April 2015

Professional Companies and Commercial Use

	Core Hours	Charge for up to eight hours	For each extra hour or part thereof	Hours before or after core hours	Additional Performance
	Performance				
Monday	9am-11pm	£2,000	£250.00	£375.00	£1,000
Tuesday	9am-11pm	£2,000	£250.00	£375.00	£1,000
Wednesday	9am-11pm	£2,000	£250.00	£375.00	£1,000
Thursday	9am-11pm	£2,100	£262.50	£393.75	£1,050
Friday	9am-11pm	£2,100	£262.50	£393.75	£1,050
Saturday	9am-11pm	£2,100	£262.50	£393.75	£1,000
Sunday	9.30am-11pm	£2,800	£350.00	£525.00	£1,400
Bank Holiday	9.30am-11pm	£2,800	£350.00	£525.00	£1,400

N.B. Any additional hours, as described in the list of Hire Charges and any additional technical requirements to be mutually agreed and recharged to the Visiting Manager.

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Booking Enquiries:

**Chesterfield Visitor Information Centre**, Rykneld Square, Chesterfield S40 1SB

Tel (01246) 345333 9.30am - 5pm Monday to Friday

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[www.chesterfieldvenuehire.co.uk](http://www.chesterfieldvenuehire.co.uk)



**Scale of Charges 1<sup>st</sup> April 2015**

<b>COMMUNITY CHARGE RATES</b> Rooms should be booked to include any setting up and clearing away time and if a bar is arranged 1 hour after the bar closes.		<b>MAIN HALL</b> (200 people max) <i>Minimum hire 3 hours</i> Hourly Rate	<b>MEETING ROOM</b> (20 people max) <i>Minimum hire 3 hours</i> Hourly Rate
<b>COMMUNITY CHARGE</b> Private, Social gatherings, meetings for non-profit making clubs, charity events. *SUNDAYS - ADD £20.00 SUPPLEMENT (PER FUNCTION)	Monday – Friday	13.60	5.20
	Saturday & Sunday*	15.70	5.20
	KITCHEN per function	6.80	6.80
<b>COMMUNITY DISCOUNT</b> Discounted rate to non-profit making clubs or associations, making a block booking of 10 or more dates Monday – Friday. 1 month flexibility re venue and or time applies.	Monday – Friday	11.00	4.70
	KITCHEN per function	6.30	6.30
<b>COMMUNITY CONCESSIONARY CHARGE</b> Non profit making children/OAP groups not receiving any other grant or concession. *SUNDAYS - ADD £20.00 SUPPLEMENT PER FUNCTION	Monday – Friday	10.50	
	Saturday & Sunday*	12.00	
<b>COMMUNITY CONCESSIONARY BLOCK BOOKING DISCOUNT</b> As above - discounted rate for 10 or more dates block booked. 1 month flexibility re venue and or time applies.	Monday - Friday	7.80	
	KITCHEN per function	5.70	
<i>The above charges are exempt from Vat</i>			
<b>STAFFING CHARGES</b>			
Duty Manager: £18.00 per hour incl. vat		Caretaker: £14.40 per hour incl. vat	
Security Staff: £18.00 per hour incl. vat		Front of House Staff: £12.00 per hour incl. vat	

**BANK HOLIDAY HIRINGS: BY NEGOTIATION ONLY AT DOUBLE RATES.**

All customers must pay a holding deposit of £100 at the time of booking for all events which request a Bar and / or arrange some form of entertainment.

This `deposit' is payable on top of the hire charge, and will be refunded after the event if no damage arises. **The Deposit will not be refunded if the event is cancelled.**

The remaining hire charges are payable **four** weeks before the event or immediately if the booking is made within this period. Please make cheques payable to *Chesterfield Borough Council - Credit/Debit Cards accepted.*

## CHESTERFIELD BOROUGH COUNCIL

**HASLAND VILLAGE HALL** Eastwood Park, Hasland, Chesterfield. S41 OAY

Booking Enquiries:

**Chesterfield Visitor Information Centre**, Rykneld Square, Chesterfield S40 1SB

Tel (01246) 345333 9.30am - 5pm Monday to Friday

E mail [venuehire@chesterfield.gov.uk](mailto:venuehire@chesterfield.gov.uk)

[www.chesterfieldvenuehire.co.uk](http://www.chesterfieldvenuehire.co.uk)



### Scale of Charges 1<sup>st</sup> April 2015

<b>COMMERCIAL HIRE RATES</b>		<b>MAIN HALL</b> (200 people max)	<b>MEETING ROOM</b> (20 people max)
Rooms should be booked to include any setting up and clearing away time and if a bar is arranged 1 hour after the bar closes.		<i>Minimum hire 3 hours</i> Hourly Rate	<i>Minimum hire 3 hours</i> Hourly Rate
<b>COMMERCIAL HIRINGS</b>	Monday – Friday	28.00	9.90
*SUNDAYS - ADD £20.00 SUPPLEMENT (PER EVENT)	Saturday & Sunday*	31.50	9.90
	KITCHEN per function	15.20	15.20
<b>COMMERCIAL BLOCK BOOKING DISCOUNT</b> Discounted rate to organisations block booking 10 or more dates. 1 month flexibility clause re venue and or time applies  *SUNDAYS - ADD £20.00 SUPPLEMENT (PER EVENT)	Monday – Friday	22.50	7.80
	Saturday & Sunday*	25.70	7.80
	KITCHEN per function	12.00	12.00
		<b><i>The above charges are exempt from Vat</i></b>	
<b>STAFFING CHARGES</b>			
Duty Manager: £18.00 per hour incl. vat		Caretaker: £14.40 per hour incl. vat	
Security Staff: £18.00 per hour incl. vat		Front of House Staff: £12.00 per hour incl. vat	

### **BANK HOLIDAY HIRINGS: - BY NEGOTIATION ONLY AT DOUBLE RATES**

All customers must pay a holding deposit of £100 at the time of booking for all events which request a Bar and / or arrange some form of entertainment.

This `deposit' is payable on top of the hire charge, and will be refunded after the event if no damage arises. **The Deposit will not be refunded if the event is cancelled.**

The remaining hire charges are payable **four** weeks before the event or immediately if the booking is made within this period.

Please make cheques payable to *Chesterfield Borough Council - Credit/Debit Cards accepted*



VAT Supply Team  
3/C/09  
100 Parliament Street  
London SW1A 2BQ

**Date** 19 December 2014  
**Our Ref**  
**Your Ref**

**Tel** 03000 585 822  
**Fax**  
**Email** graham.spencer@hmrc.gsi.gov.uk

## Memo

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**Subject** CIPFA submission - theatre hire

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**To** Maria Menezes

---

**From** Graham Spencer

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**Copy**

Dear Maria

Thank you for your submission about the VAT treatment of the hire of a theatre and associated services.

### The Issue

The issue is about the liability of the hire of a local authority theatre to third parties when the local authority also provides services such as lighting technicians, box office etc. The question is whether the whole supply falls under the exemption for land where there has been no option to tax, particularly when the HMRC guidance where para 3.4 of Notice 742 indicates that a supply of a 'whole' theatre will be exempt, but VATLP18000 states that where other services are provided then the whole supply is taxable.

### HMRC's view

As always, there is no one simple answer to this issue and the VAT treatment will depend on the exact circumstances of the transaction.

In general terms, where land or property is hired, there can only be an exempt supply of land where there is a passive transfer of a right to use it as if the hirer owned it. Therefore you must look at what it is that the parties agree between themselves and what it is that the hirer wants supplied - a use of land or an interest in land? Section 2.5 of Notice 742 sets this

out, in particular the penultimate paragraph which states 'Where a licence to occupy is granted together with other goods and services as part of a single supply, the nature of the overarching supply will determine how it should be categorised for VAT purposes'.

If the supply is simply to be an interest in land then it must be capable of meeting the conditions as set out by various ECJ cases as well as those of the UK courts. One of the questions that need to be considered is whether the local authority is really giving up its interest in the land meaning the hirer can act as though he was the owner – this is to what para 3.4 of Notice 742 is referring. Also, whether the local authority is taking a passive role and does not provide any other service with the grant of the interest.

Some of these points have been covered in a recent Tribunal decision "*Willant Trust Ltd - TC/2013/01454*". HMRC's view is that if various services and facilities are to be provided alongside the interest in land it would be difficult for a local authority to argue that it is undertaking a passive activity in simply supplying an interest in land. As a result it is likely that in the majority of cases what is being supplied is a single taxable supply of theatrical facilities rather than an exempt interest in land because the nature of the supply is not just that of the land itself which means it can never be exempt.

Considering this, it is not a question of an exempt supply of land with "x" number of extras being provided before the supply becomes taxable. Rather the approach to take is addressing the overriding question of whether there is a supply of a passive interest in land. The question of whether there exists a single supply or multiple supplies will depend on the facts of each case and guidance on this area in relation to land is provided in VATLP06140, but HMRC believes that there is likely to be a single supply when the theatre is hired with other services because they are so closely connected and to separate out the other services would be artificial.

Although the exact circumstances around each let must be examined in order to determine the VAT treatment, as explained above HMRC believes the majority of these cases will not be a passive supply when other services are provided and so it cannot be an exempt supply of land because the customer wants the right to use the theatrical facilities rather than only acquire an interest in land as an owner.

Yours sincerely

Graham Spencer



**PROPERTY VAT Liaison Group  
Notification of Policy Query to HMRC**

Subject	<b>Licence to occupy or supply of facilities</b>
Author(s)	<b>Karen Regan (CIPFA)</b>

<b>Who is affected</b>
All taxable businesses that hire out premises with ancillary services and have not opted to tax those premises.
<b>Description of the issue</b> (include type of goods or services supplied and who is making and receiving payment)
CIPFA has sought clarification from HMRC on the degree of additional ancillary services required to convert a licence to occupy theatre premises (exempt) into a standard rate supply of facilities.  The response from HMRC (see attached letter) is that;  "if various services and facilities are to be provided alongside the interest in land it would be difficult for a local authority to argue that it is undertaking a passive activity in simply supplying an interest in land. As a result it is likely that in the majority of cases what is being supplied is a single taxable supply of theatrical facilities rather than an exempt interest in land because the nature of the supply is not just that of the land itself which means it can never be exempt."  CIPFA have accepted HMRC's position on theatre hire, that this is a standard rate supply of facilities. It is hoped to agree a transitional period for LAs with theatres, since a number of local authorities are facing assessments for output tax due on theatre hire, as HMRC consider that there is no change of policy.
<b>The problem</b>
The taxpayer when self assessing the VAT treatment of the leasing or letting of premises is now faced with uncertainty as to the correct VAT liability. Historically HMRC have allowed exemption to apply where an element of occupation exists.  There is a need for a proper policy review by HMRC to provide clarity and certainty to allow the taxpayer to be in a position to make decisions on the VAT liability of these transactions.
<b>Impact and Extent of the Issue</b>
The response from HMRC has wider relevance than just theatre hire as it indicates a change of approach by HMRC and a move towards a narrower interpretation of when a licence to occupy can be treated as VAT exempt. This reflects recent judgements in both UK and EU law but is not reflected in HMRC's guidance.  There are numerous other areas - and of wider relevance than just LAs - where it can be unclear whether what is supplied is a passive right to occupy land or use of the facilities offered by that land, eg teaching and training facilities, wedding venues, storage facilities, exhibitions and market stalls, etc, not to mention the question when a 'room' becomes a theatrical, sports or teaching and training facility, eg a school hall with stage, lighting, sound systems, etc hired for theatrical purposes.
<b>The law</b>
Group 1, schedule 9, VATA 1994.

**Current VAT treatment**

In relation to theatre hire by local authorities, of those who responded to a request for information, it would appear there is no consistent treatment applied.

It is evident that, nationally, depending on their own specific circumstances and documentation issued, the VAT treatment ranges from wholly exempt to a mixed supply of exempt hire and standard-rated additional services.

There is currently no evidence of any local authority treating such supplies as a single taxable supply, nor has HMRC historically sought to challenge the liability currently applied by LAs.

Note: No data has been collected for theatres not operated by local authorities.

**References in HMRC publications, including websites if any**

1. Notice 742 Land and Property, paragraph 3.4

*If you let an entire theatre, concert hall or other place of entertainment your supply is normally exempt, unless you have opted to tax.*

2. VATLP18000 – Accommodation at a Sports Ground or other Place of Entertainment.

*The letting of a whole theatre, concert hall, arena or other place of entertainment is normally exempt. However, where other services are being provided, such as box office, or assistance in staging an event, the supply is taxable.*

3. VATLP11800 – Hotels and Similar Establishments.

Wedding packages treated as standard rate with conference hire treated as a mixed supply.

4. VTAXPER78000 – Particular Trades: Theatre Production and Management Companies

*Cases under either of the following headings will have to be considered in the light of the specific circumstances and contracts:*

- *arrangements where a management company provides all the necessary facilities for a production company or another body such as local operatic society but takes no further part in the venture (i.e. the management company effectively hires out the theatre) when there may be an exempt supply under Group 1 of Schedule 9; or*

- *other places of entertainment such as concert halls, stadia, etc.*

**Tax analysis**

Recent UK and ECJ case law places emphasis on the "passive" letting of land with the right to occupy land as if the owner. HMRC have taken this to mean that theatrical facilities cannot meet these requirements and therefore, must be a taxable supply of facilities. (Willant Tust Ltd being cited in their response.)

This appears to represent a change of policy by HMRC as there are numerous examples where HMRC do allow exemption to apply, even where other services are included in the letting, or otherwise treat the supply as a mixed supply.

For example, conference hire (mixed supply), market stalls (exempt) and exhibition stands (standard rate.)

<b>References in tax legislation supporting change</b>	
N/A	
<b>Other supporting evidence</b>	
N/A	

Date	<b>12 May 2015</b>
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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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