



Please ask for Joel Hammond-Gant
Direct Line: 01246 34 5273
Email committee.services@chesterfield.gov.uk

The Chair and Members of Standards
and Audit Committee

15 May 2018

Dear Councillor,

Please attend a meeting of the STANDARDS AND AUDIT COMMITTEE to be held on WEDNESDAY, 23 MAY 2018 at 2.00 pm in Committee Room 1, Town Hall, Rose Hill, Chesterfield, S40 1LP, the agenda for which is set out below.

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to Items on the Agenda
2. Apologies for Absence
3. Minutes (Pages 3 - 8)
4. Annual Report of the Standards and Audit Committee (Pages 9 - 18)
5. Internal Audit Consortium Annual Report 2017/18 (Pages 19 - 30)
6. Summary of Internal Audit Reports Issued 2017/18 (Pages 31 - 62)
7. Review of Code of Corporate Governance and the Annual Governance Statement (Pages 63 - 146)
8. Review of Unreasonable Complaints Policy (Pages 147 - 162)

Chesterfield Borough Council, Town Hall, Rose Hill, Chesterfield S40 1LP

Telephone: 01246 345 345, Text: 07960 910 264, Email: info@chesterfield.gov.uk

www.chesterfield.gov.uk

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

STANDARDS AND AUDIT COMMITTEE

Wednesday, 4th April, 2018

Present:-

Councillor Rayner (Chair)

Councillors Caulfield

Hollingworth

Councillors

Bean

*Matters dealt with under the Delegation Scheme

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

No declarations were received.

42 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Derbyshire and Diouf.

43 **MINUTES**

RESOLVED –

The Minutes of the previous meeting of the Standards and Audit Committee held on 7 February, 2018 were approved and signed by the Chair as a correct record.

44 **EXTERNAL AUDIT PROGRESS REPORT**

Tony Crawley (Director) and Richard Walton (Senior Manager) of KPMG presented the External Audit Progress Report from March 2018.

The report detailed the work that had been completed to date by the external auditors, and listed the future planned work to be undertaken.

It was noted that early, substantive work had been undertaken during an additional on-site visit in March, to reduce the pressure of the final accounts visit in this first year of the revised, earlier timescales.

***RESOLVED –**

That the External Audit Progress Report be noted.

45 **INTERNAL AUDIT PLAN 2018/19**

The Internal Audit Consortium Manager presented a report for members to consider and agree the Internal Audit Plan for 2018/19.

The detailed plan for 2018/19 was attached at Appendix B to the report and had been prepared in consultation with the Senior Leadership Team and the Corporate Management Team, taking into account the following factors:

- The Council's objectives and priorities;
- Local and national issues and risks;
- The requirement to produce an annual internal audit opinion;
- The Council's assurance framework;
- An update of the internal audit risk assessment exercise covering the financial control and other procedures subject to audit;
- The Council's strategic risk register;
- The views of the Corporate Management Team.

The plan outlined the assignments to be carried out during 2018/19, their respective priorities and the estimated resources needed. The plan allocated 560 days to Chesterfield Borough Council for 2018/19, which was the same allocation as in the previous two years.

A copy of the audit plan was being provided to the Council's external auditor to facilitate co-ordination of work programmes.

The Internal Audit Consortium Manager advised that an annual report summarising the outcome of the Internal Audit Plan 2017/18 would be presented to the Standards and Audit Committee after the year-end.

***RESOLVED –**

That the Internal Audit Plan for 2018/19 be agreed.

46 **OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS**

The Internal Audit Consortium Manager presented a report summarising outstanding internal audit recommendations.

It was noted that since 2014/15, a total of 34 recommendations remained outstanding and overdue. The full list of outstanding internal audit recommendations was attached at Appendix 1 to the officer's report.

***RESOLVED –**

1. That the report be noted.

2. That the Internal Audit Consortium Manager be asked to submit a report to each meeting of the Standards and Audit Committee summarising outstanding and/or overdue internal audit recommendations.
3. That, as appropriate, the responsible officers be asked to either attend future meetings of the Standards and Audit Committee or provide written information to give members an update on progress made to implement outstanding and/or overdue internal audit recommendations.
4. That a note be submitted to the Chief Executive by the Monitoring Officer on behalf of the Chair, summarising the Committee's concern over outstanding and/or overdue internal audit recommendations, with a request for action at senior management level.

47 EMPLOYEE CODE OF CONDUCT

The Monitoring Officer presented a report seeking approval for the revised Employee Code of Conduct. The report noted that all local authorities were required, under Section 82 of the Local Government Act 2000, to approve a code of conduct for its employees.

The proposed policy had previously been agreed by the Employer/Trade Union Committee on 14 February, 2018 (Minute No. 58, Employer/Trade Union Committee 2017/18) and the Employment and General Committee on 5 March, 2018 (Minute No. 45, Employment and General Committee 2017/18).

The proposed policy was attached at Appendix A to the officer's report.

***RESOLVED –**

That the new Employee Code of Conduct be approved and that Part 5 of the Constitution be amended.

48 PERMISSIONS IN PRINCIPLE

The Monitoring Officer presented a report recommending for approval an amendment to the delegation scheme to permit power to designated officer posts to decide Permissions in Principle and Technical Detail Consents.

It was noted that the proposed revisions to the delegation scheme were agreed and endorsed by the Council's Planning Committee on 3 April, 2018 (Minute No. 146, Planning Committee 2017/18).

Pursuant to members' questions, the Monitoring Officer advised that the Permissions in Principle and Technical Detail Consents processes would require the Council to make decisions within a short, set period of time, which would reduce costs on

developers and provide earlier certainty on the in-principle matters, the use, location and amount of a development.

***RESOLVED –**

That approval be given to amend the delegation scheme in Part 3 of the Constitution to permit the Development Management and Conservation Manager, or the Principal Planner in their absence, to decide Permissions in Principle and Technical Detail Consents.

49 RIPA - ANNUAL REPORT 2018

The Monitoring Officer submitted a report to provide members with an annual update on activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act (RIPA) 2011.

It was noted that no directed surveillances or use of human intelligence sources had been authorised by the Council under the Act during 2017.

The report included an update on the annual report of the OSC Inspection and Surveillance Commissioner.

***RESOLVED –**

That the report be noted.

50 SUMMARY OF INTERNAL AUDIT REPORTS ISSUED 2017/18

The Internal Audit Consortium Manager presented a report summarising the internal audit reports issued during the period 6 January 2018 to 9 March 2018, in respect of reports issued relating to the 2017/18 internal audit plan.

It was noted that 9 reports had been issued during this period and had been given the following levels of assurance:

- 'Substantial Assurance' – 2
- 'Reasonable Assurance' – 5
- 'Limited Assurance' – 1
- 'Inadequate Assurance' – 1

The Committee welcomed James Drury, Executive Director, and Ian Waller, Assistant Director – Health and Wellbeing, to discuss the Inadequate Assurance audit report on 'Corporate Health and Safety' issued on 26 January, 2018.

James Drury advised that a Health and Safety Recovery Plan had been produced, in consultation with members of the Corporate Management Team and workplace health and safety representatives, to provide a clear, effective and holistic response to tackling the issues relating to corporate health and safety.

It was noted that the Plan had set out reasonable and appropriate timescales for the delivery of all actions to be undertaken, with interim reviews scheduled to monitor progress.

The Committee thanked the Executive Director and Assistant Director – Health and Wellbeing for attending.

The Committee welcomed the Director of Finance and Resources to discuss the Limited Assurance report on 'Non-Housing Property Repairs' issued on 1 March, 2018.

It was noted that Kier had undertaken reviews of the Council's top 10 largest assets, which had accounted for approximately half of the total monetary value of assets owned by the Council.

It was planned for reviews of the Council's assets to be continued to ensure that at least 80 per cent of the monetary value of assets had been reviewed.

The Director of Finance and Resources advised that a RAG (Red, Amber, Green) colour coding scheme had been introduced in response to the second recommendation made in the audit report, to more clearly advise officers as to how different repairs should be paid for.

The Committee thanked the Director of Finance and Resources for providing the update.

*** RESOLVED –**

That the report be noted.

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For publication

Annual Report of Standards and Audit Committee

Meeting:	(1) Standards and Audit Committee (2) Council
Date:	(1) 23 May 2018 (2) 18 July 2018
Cabinet portfolio:	Cabinet Member for Governance
Report by:	Chair of the Standards and Audit Committee, the Internal Audit Consortium Manager and the Local Government and Regulatory Law Manager

For publication

1.0 Purpose of report

- 1.1 To set out the work of the Standards and Audit Committee for 2017/18 in an annual report in line with best practice.

2.0 Recommendations

- 2.1 That the Standards and Audit Committee consider the attached Standards and Audit Committee Annual Report and refer to Council for approval.
- 2.2 That Council approve the Annual Report of the Standards and Audit Committee.

3.0 Report details

- 3.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) in their guidance note "Audit Committees – Practical Guidance for Local Authorities", recommend that an Audit Committee should produce an annual report on their activity. The Standards and Audit Committee, after a self - assessment of its effectiveness, agreed that the production of an Annual Report would help assess how the Committee was performing. It would also raise the profile of the Committee.
- 3.2 The Annual Report in Appendix 1 summarises the work of the Standards and Audit Committee for the financial year 2017/18.

4.0 Alternative options and reasons for rejection

- 4.1 The report is for information.

5.0 Recommendations

- 5.1 That the Standards and Audit Committee consider the attached Standards and Audit Committee Annual Report and refer to Council for approval.
- 5.2 That Council approve the annual report of the Standards and Audit Committee.

6.0 Reasons for recommendation

- 6.1 To ensure that the Standards and Audit Committee are following good practice guidelines in line with CIPFA's guidance note "Audit Committees – Practical Guidance for Local Authorities" in terms of performance and effectiveness.

Decision information

Key decision number	N/A
Wards affected	All

Links to Council Plan priorities	This report links to the Council's priority to provide value for money services.
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Document information

Report author	Contact number/email
Jenny Williams - Internal Audit Consortium Manager	01246 345468 Jenny.williams@chesterfield.gov.uk
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
CIPFA's Audit Committees – Practical Guidance for Local Authorities	
Appendices to the report	
Appendix 1	Annual Report of the Standards and Audit Committee

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CHESTERFIELD
BOROUGH COUNCIL

STANDARDS AND AUDIT COMMITTEE

ANNUAL

REPORT

2017/18

Standards and Audit Committee

Chesterfield Borough Council

Annual Report 2017/18

1. Background

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) in their guidance note "Audit Committees – Practical Guidance for Local Authorities", recommend that an Audit Committee should produce an annual report on their activity.
- 1.2 Historically the Council has not undertaken this task but the Standards and Audit Committee collectively agreed that it would be useful to do as a means of assessing how the Committee is performing and raising the profile of the work of the Committee across the Council.
- 1.3 These Committees are widely recognised as a core component of effective governance, their key role is to independently oversee and assess the internal control environment, comprising governance, risk management and control and advise the Council on the adequacy and effectiveness of these arrangements. At Chesterfield Borough Council the statutory duty to promote and maintain high standards of conduct by members is also overseen by the Committee.
- 1.4 The Committee is responsible for: –
 - Promoting and maintaining high standards of conduct
 - Good governance
 - Internal Audit
 - External Audit
 - Risk Management
 - The control environment

- Anti-fraud and anti- corruption arrangements
- Carrying out hearings into alleged misconduct by councillors

Details of the responsibilities of the Committee are set out in the Council's Constitution (Part 2, Article 9).

- 1.5 The Committee meets on a regular basis. Chaired by Councillor Mark Rayner it is advised by the Director of Finance and Resources, Kevin Hanlon, the Internal Audit Consortium Manager, Jenny Williams, and the Monitoring Officer, Gerard Rogers.

2. Membership and Meetings

- 2.1 The Standards and Audit Committee is composed of seven members, 5 councillors and 2 parish representative members (appointed by Brimington Parish Council and Staveley Town Council respectively) namely:-

Councillor Rayner (Chair)
 Councillor A Diouf (Vice-Chair)
 Councillor Caulfield
 Councillor Hollingworth
 Councillor Derbyshire

Councillor Bean (Brimington)
 Councillor Tidd (Staveley)

- 2.2 The meetings are also attended by the Council's external auditor, Tony Crawley of KPMG.
- 2.3 During the 2017/18 financial year the Standards and Audit Committee met on 5 occasions.

3. Standards and Audit Committee Business

3.1 During the year the Committee conducted the following business:-

- Received the annual internal audit report for 2016/17
- Approved the internal audit plan for 2017/18
- Received internal audit updates of progress against the audit plan for 2016/17
- Monitored the implementation of internal audit recommendations
- Received full copies of Limited and Inadequate internal audit assurance reports and requested managers to attend the Committee to provide an update on progress made against the recommendations
- Considered the external audit plan for 2016/17 and 2017/18
- Considered external audit progress reports
- Reviewed and approved the Code of Corporate Governance and Annual Governance Statement
- Received an update on progress in the delivery of the 2016/17 Annual Governance Statement Action Plan
- Considered the results of CIPFA's Fraud and Corruption Survey 2017
- Received a report summarising the results of the 2016/17 National Fraud Initiative findings for CBC
- Considered a report of activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act (RIPA)
- Approved the 2016/17 statement of accounts
- Considered the treasury management 2016/17 annual report and monitoring report 2017/18
- Approved the 2018/19 Treasury Management Strategy
- Considered the Risk Management Strategy and annual review
- Undertook a self -assessment of their own effectiveness against a best practice CIPFA framework
- Approved Constitution updates
- Received the Monitoring Officer's Standards of Conduct Annual Report 2017

- Considered the response to the Department for Communities and Local Government Consultation on updating Disqualification Criteria for Local Authority Members

4. The Committee's Main Achievements / Outcomes

The Standards and Audit Committee aims to add value through its activity and, in particular has:-

- 4.1 Invited senior managers and officers to account for services where financial or internal control weaknesses have been identified.
- 4.2 Raised concerns at meetings and with the Chief Executive in respect of the growing number of Limited and Inadequate assurance internal audit reports.
- 4.3 Requested and received an additional report detailing outstanding internal audit recommendations in order for them to be able to monitor this more closely.
- 4.4 Reviewed the strategic risk register to ensure that risks are being appropriately mitigated thus providing additional assurance.
- 4.5 Scrutinised the statement of accounts prior to approval
- 4.6 Reviewed the Code of Corporate Governance and approved the Annual Governance Statement and monitored progress against the Annual Governance Statement action plan.

5 Conclusion

- 5.1 In conclusion, the Committee has continued to make a positive contribution to the Council's overall governance and control arrangements, including risk management. It is recognised that the Council has continued to face severe financial challenge however it is essential that good governance is maintained.

- 5.2 The Committee will continue to support the Council in the year ahead. In particular, it will continue to support the work of internal and external audit to ensure that recommendations are implemented in a timely fashion.

Councillor Mark Rayner (Chair)
Chesterfield Borough Council Standards and Audit
Committee

For publication

Internal Audit Consortium Annual Report 2017/18

Meeting: Standards and Audit Committee

Date: 23 May 2018

Cabinet portfolio: Cabinet Member for Governance

Report by: Internal Audit Consortium Manager

For publication

1.0 Purpose of report

1.1 The purpose of this report is to:-

- Present a summary of the internal work undertaken during 2017/18 from which the opinion on the internal control environment is derived.
- Provide an opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion.
- Draw attention to any issues that need to be considered for inclusion in the Annual Governance Statement.
- Compare work actually undertaken with that which was planned and summarise performance.
- Comment on compliance with the Public Sector Internal Audit Standards (PSIAS).
- Confirm progress against the Internal Audit action plan that was developed following an external review of internal audit.

- Comment on the results of the internal quality assurance programme.
- Confirm the organisational independence of internal audit
- Review the performance of the Internal Audit Consortium against the current Internal Audit Charter.

2.0 Recommendation

- 2.1 That the Internal Audit Consortium Annual Report for 2017/18 be accepted.

3.0 Report details

SUMMARY OF WORK UNDERTAKEN

- 3.1 Appendix A details the audit reports issued in respect of audits included in the 2017/18 internal audit plan. The appendix shows for each report the overall assurance level provided on the reliability of the internal controls and the assurance level given at the last audit. The report opinions can be summarised as follows:

Assurance Level 2017/18	Number	Control Level 2016/17	Number
Substantial	7	Good	8
Reasonable	16	Satisfactory	12
Limited	10	Marginal	4
Inadequate	2	Unsatisfactory	5
		Unsound	0
Total	35		29

- 3.2 A definition of the above assurance levels is shown in Appendix A.
- 3.3 There were no issues relating to fraud arising from the reports detailed in Appendix A.

3.4 The following table summarises the performance indicators for the Internal Audit Consortium as detailed in the Internal Audit Service Plan:

Description	2017/18		2018/19
	Plan	Actual	Plan
Cost per Audit Day	£280	£266	£287
Percentage of Plan Completed (CBC)	96%	97%	96%
Sickness Absence (Average Days per Employee)	8.0 (Corporate Trigger)	4.02	8.0
Customer Satisfaction Score (CBC)	85%	95%	85%
To issue internal audit reports within 10 days of the close out meeting (CBC)	90%	100%	90%
Number/proportion of audits completed within time allocation (CBC)	80%	85%	80%
% 2017/18 Agreed recommendations implemented (CBC) as at end Feb 18	80%	90%	80%
Quarterly reporting to Standards and Audit Committee	100%	100%	100%

OPINION ON THE ADEQUACY AND EFFECTIVENESS OF THE CONTROL ENVIRONMENT

3.5 The Internal Audit Consortium Manager is responsible for the delivery of an annual audit opinion that can be used by the council to inform its governance system. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

3.6 In relation to the main financial systems I am satisfied that reasonable assurance can be provided in respect of the governance, risk management and control arrangements.

- 3.7 However, during 2017/18 10 limited assurance reports have been issued and 2 inadequate assurance reports (see Appendix A). In these areas the governance, risk management and control arrangements were not operating effectively, some key risks were not well managed and there was a risk that the systems objectives would not be achieved.
- 3.8 Where weaknesses have been identified internal audit has worked with management to agree appropriate corrective actions and a timescale for improvement.
- 3.9 Performance management procedures are in place to ensure that CMT receive regular reports in relation to outstanding audit recommendations in order that appropriate action can be taken.
- 3.10 The Standards and Audit Committee also now receive a 6 monthly report in relation to outstanding audit recommendations. Where a Limited or inadequate assurance audit report is issued, managers are also required to attend the Standards and Audit Committee to discuss progress and to provide assurance that recommendations are being implemented in a timely fashion.
- 3.11 In addition to the issues highlighted by internal audit Members should also be aware of other high risk areas that are highlighted within the Council's Corporate Risk Register. In particular:-
- Having a sustainable financial plan;
 - Managing change effectively to deliver the required transformational changes and savings
 - Workforce – ensuring the council has the right skills and capacity
 - Investment and development of the ICT infrastructure
 - Provision of social housing
 - Emergency Planning and Business Continuity arrangements

- The full impact of BREXIT is also unknown and may lead to further risks for the Council.

ISSUES FOR INCLUSION IN THE ANNUAL GOVERNANCE STATEMENT

- 3.12 The internal control issues arising from audits completed in the year have been considered during the preparation of the Annual Governance Statement. The issues surrounding budget, data protection, information technology, non-housing property repairs, health and safety and procurement have all been raised as significant governance issues within the annual governance statement.

COMPARISON OF PLANNED WORK TO ACTUAL WORK UNDERTAKEN

- 3.13 The Internal Audit Plan for 2017/18 was approved by the Standards and Audit Committee on the 5th April 2017. All but one audit has been completed. The planned audit in respect of the new system review (Mentor replacement) has not occurred as the system has not yet been replaced, this will be reviewed as and when the system replacement happens.

COMPLIANCE WITH THE PUBLIC SECTOR INTERNAL AUDIT STANDARDS AND OTHER QUALITY ASSURANCE RESULTS

- 3.14 During 2017/18 a self- assessment was undertaken to review compliance with the Public Sector Internal Audit Standards. The review confirmed that there were no significant areas of non- compliance
- 3.15 In October 2016 the internal audit consortium was subject to an external review to ensure compliance with Public Sector Internal Audit Standards. The review concluded that the Consortium was compliant with and in places exceeded the requirements of the PSIAS but a number of recommendations

were made to further enhance the service provided by the Consortium. Apart from ongoing areas of development this action plan has now been completed. A further improvement plan will now be developed.

3.16 It can also be confirmed that the internal audit activity is organisationally independent. Internal audit reports directly to the Director of Finance and Resources but has a direct and unrestricted access to the Corporate Leadership Team and the Standards and Audit Committee.

3.17 Quality control procedures have been established within the internal audit consortium as follows:

- Individual Audit Reviews – Working papers and reports are all subject to independent review to ensure that the audit tests undertaken are appropriate, evidenced and the correct conclusions drawn. All reports are reviewed to ensure that they are consistent with working papers and in layout. Whilst these reviews may identify issues for clarification, the overall conclusion of the quality assurance checks is that work is being completed and documented thoroughly.
- Customer Satisfaction – A Customer Satisfaction Survey form is issued with each report. This form seeks the views of the recipient on how the audit was conducted, the report and recommendations made.
- Client Officer Views – A survey form has been issued to the client officer seeking his views on the overall performance of the Internal Audit Consortium for the year in achieving the objectives set out in the Internal Audit Charter.
- All staff have been provided with a copy of the Public Sector Internal Audit Standards and the Internal Audit

Manual has been updated to reflect the requirements of the standards and issued to all staff. A further review of the audit manual is scheduled for the summer of 2018.

- 3.18 The above quality control procedures have ensured conformance with the PSIAS.
- 3.19 Based on the customer satisfaction survey forms returned, the average score was 95% for customer satisfaction during 2017/18 (2016/17 result 95%).
- 3.20 The results of the Client Officer survey for Chesterfield were a score of 90%.

REVIEW OF PERFORMANCE OF THE INTERNAL AUDIT CONSORTIUM AGAINST THE CURRENT INTERNAL AUDIT CHARTER

- 3.21 The Audit Charter was last reported to and approved by the Audit and Standards Committee in June 2016. The Charter is scheduled to be reviewed again in the summer of 2018.
- 3.22 Based on the information provided in this report on the completion of the 2017/18 internal audit plan, it is considered that the requirements of the Charter were met during the year.
- 1.23 There are no human resources implications.
- 1.24 There are no financial implications
- 1.25 There are no legal or data protection implications.
- 3.26 Risk Management - This report ensures that Members are aware of the work undertaken by internal audit during

2017/18 and their opinion on the adequacy and effectiveness of the systems in place at Chesterfield Borough Council.

3.27 Equalities Impact Assessment (EIA) - Not Applicable.

4.0 Alternative Options and Reasons for Rejection

4.1 Not Applicable.

5.0 Recommendation

5.1 That the Internal Audit Consortium Annual Report for 2017/18 be accepted.

6.0 Reasons for recommendation

6.1 To present to Members the annual report for the Internal Audit Consortium in respect of Chesterfield Borough Council for 2017/18.

6.2 To ensure compliance with the Public Sector Internal Audit Standards.

6.3 To provide an opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	Internal audit work aids in the Council's priority to provide value for money.

Document information

Report author	Contact number/email
Jenny Williams Internal Audit Consortium Manager	01246 345468 Jenny.williams@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Appendix A	Internal Audit Reports Issued 2017/18

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Appendix A

Chesterfield Borough Council – Internal Audit Reports Issued 2017/18

Ref	Report Title	Overall Opinion/ Assurance	
		2017/18	Previous Audit
1	Choice Based Lettings	Limited	Satisfactory
2	Housing Repairs Responsive - variations	Limited	Marginal
3	Expenses and Mileage	Reasonable	Satisfactory
4	Expenses and Mileage (VAT)	Reasonable	Satisfactory
5	Safeguarding	Limited	N/A
6	Venues	Substantial	Satisfactory
7	Council Tax	Reasonable	Satisfactory
8	Crematorium Income	Reasonable	Satisfactory
9	Sale of Land and Property	Reasonable	Marginal
10	Members Expenses and Allowances	Reasonable	Satisfactory
11	Queens Park Sports Centre	Limited	Marginal
12	Non Domestic Rates	Reasonable	Good
13	Taxi Licensing	Limited	Satisfactory
14	Data Protection	Limited	Unsatisfactory
15	Cash and Bank (C&D Procedures)	Substantial	Good
16	Cash and Bank Independent Checks	Reasonable	Satisfactory
17	Section 106 / CIL	Limited	Unsatisfactory
18	Housing Benefits and Council Tax Support Scheme	Substantial	Good
19	ICT Network Security	Limited	Unsatisfactory
20	Treasury Management	Substantial	Satisfactory
21	Car Parks Income	Reasonable	Satisfactory
22	Housing Rents Accounting System	Reasonable	Satisfactory
23	Accounts Receivable	Substantial	Good
24	Corporate Health and Safety	Inadequate	Unsatisfactory
25	Payroll System	Reasonable	Marginal
26	Payroll System Support Services	Reasonable	N/A
27	Property Rents	Reasonable	Marginal
28	Sale of Council Houses	Reasonable	Satisfactory
29	Main Accounting and Budgetary Control	Substantial	Good
30	Non Housing Property Repairs	Limited	Unsatisfactory
31	Money Laundering	Reasonable	N/A
32	Accounts Payable	Reasonable	Marginal
33	Sheffield City Region Projects	Substantial	N/A
34	Procurement	Inadequate	Marginal
35	Performance Management / Corporate Targets	Limited	N/A

Internal Audit Assurance Level Definitions

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

For publication

Summary of Internal Audit Reports Issued 2017/18

Meeting: Standards and Audit Committee

Date: 23 May 2018

Cabinet portfolio: Governance

Report by: Internal Audit Consortium Manager

For publication

1.0 Purpose of report

1.1 To present for members' information a summary of Internal Audit Reports issued during the period 10th March 2018 to 13th April 2018 in respect of reports relating to the 2017/18 internal audit plan.

2.0 Recommendation

2.1 That the report be noted.

3.0 Report details

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

- 3.2 Attached, as Appendix A, is a summary of reports issued covering the period 10th March 2018 to 13th April 2018, for audits included in the 2017/18 internal audit plan.
- 3.3 As requested previously, Members have been provided with copies of reports that have been issued with a limited or inadequate audit opinion. This period, 1 limited (Corporate Targets – Appendix C) and 1 inadequate assurance (Procurement – Appendix D) internal audit reports have been issued, the reasons are summarised in Appendix B.
- 3.4 Appendix A shows for each report a summary of the scope and objectives of the audit, the overall conclusion of the audit and the number of recommendations made / agreed where a full response has been received.
- 3.5 The conclusion column of Appendix A gives an overall assessment of the assurance that can be given in terms of the controls in place and the system’s ability to meet its objectives and manage risk in line with the definitions below.

Assurance Level	Definition
Substantial Assurance	There is a sound system of controls in place, designed to achieve the system objectives. Controls are being consistently applied and risks well managed.
Reasonable Assurance	The majority of controls are in place and operating effectively, although some control improvements are required. The system should achieve its objectives. Risks are generally well managed.
Limited Assurance	Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives. Some key risks were not well managed.
Inadequate	There are fundamental control weaknesses,

Assurance

leaving the system/service open to material errors or abuse and exposes the Council to significant risk. There is little assurance of achieving the desired objectives.

3.6 In respect of the audits being reported, it is confirmed that there were no issues arising relating to fraud that need to be brought to the Committees attention.

3.7 The production of this report ensures that Members charged with governance are aware of any internal control weaknesses or fraud identified by internal audit.

4.0 Alternative options and reasons for rejection

4.1 The report is for information.

5.0 Recommendation

5.1 That the report be noted.

6.0 Reason for recommendation

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

Decision information

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

Document information

Report author	Contact number/email
Jenny Williams – Internal Audit Consortium Manager	01246 345468 Jenny.williams@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Appendix A	Summary of Internal Audit Reports Issued
Appendix B	Summary of the key issues in relation to reports given a “limited or “inadequate” assurance opinion.
Appendix C	Performance Management / Corporate Targets Report
Appendix D	Procurement Report Under Regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public will be excluded from the meeting for discussion of this item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 3 of Part I of Schedule 12A to the Local Government Act 1972.

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Chesterfield Borough Council – Internal Audit Consortium**Report to Standards and Audit Committee****Summary of Internal Audit Reports Issued 2017/18– Period 10th March 2018 to 13th April 2018**

Report Ref No.	Report Title	Scope & Objectives	Assurance Level	Date			Number of Recommendations	
				Report Issued	Response Due	Response Received	Made	Accepted
32	Accounts Payable	To ensure that invoices are paid promptly and accurately. To ensure that purchase orders are raised in advance.	Reasonable	12/3/18	4/4/18	26/3/18	6 (1H 1M 4L)	6
33	Sheffield City Region Projects	To confirm all income & expenditure has been approved, paid & promptly reclaimed accurately. To ensure contracts are in place with all relevant parties.	Substantial	22/3/18	16/4/18	N/A	0	0

Report Ref No.	Report Title	Scope & Objectives	Assurance Level	Date			Number of Recommendations	
				Report Issued	Response Due	Response Received	Made	Accepted
34	Procurement	To ensure that there are proper procedures in place that are adhered to	Inadequate	5/4/18	27/4/18		7 (5H 2M)	Note 1
35	Performance Management / Corporate Targets	To ensure that there are appropriate systems in place to monitor and report on corporate targets	Limited	13/4/18	4/5/18		5 (3H 2M)	5

Note 1 – Response not received at time of writing report

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

Performance Management / Corporate Targets – Limited Assurance

The main points arising were:-

- No corporate system in place for monitoring and reporting the achievement of service plan targets – if targets are not monitored it is not possible to establish how effective something is or if corrective action is necessary.
- Some Service Plans have not been produced – the risk is that the service is not supporting the Council Plan and there is no thread between them.
- 5 targets were reviewed, 1 was calculated incorrectly and 1 did not have the supporting documentation to verify the accuracy of the figures reported. The risk is that Members may make decisions based on incorrect information.

The Assistant Director Policy and Communications will be attending to provide an update

Procurement – Inadequate Assurance

A full copy of the report has been provided to Members

A verbal update detailing the main points arising will be provided in the non- public information session of the meeting.

The Assistant Director Customers, Commissioning and Change and / or the Executive Director will be attending to provide an update

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Bolsover, Chesterfield and North East Derbyshire District Councils'

Internal Audit Consortium

Internal Audit Report

Authority:	Chesterfield Borough Council
Subject:	Performance Management / Corporate Targets
Date of Issue:	13th April 2018

Report Distribution:	Assistant Director Policy and Communications Executive Director
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INTERNAL AUDIT REPORT

POLICY AND COMMUNICATIONS

PERFORMANCE MANAGEMENT / CORPORATE TARGETS

Introduction

Previously a single set of National Indicators was used to measure local government performance this ended on 31st March 2011. From April 2011 local government were required to report data to central government on a single data list.

In 2015 the Audit Commission was disbanded and the Local Government Transparency Code was introduced which ended any specific requirement to report on performance measures.

In February 2015 a four year Council Plan was approved. The plan defined the Council's key priorities and aims which were underpinned by the three overarching priorities and values of the Council's vision as detailed in paragraph 2 of this report.

Scope and Objectives

An audit review of a sample of corporate targets within the 2015-2019 Council Plan was undertaken. The review concentrated on the reporting of targets within the 2016/17 operational year. The scope and objectives of the audit was to ensure that the achievement of the Council Plan was monitored and measured.

Areas reviewed included the following: -

- The Council Plan has been formally approved and measures the delivery of objectives.
- Performance is regularly reported.
- Supporting documentation confirms the adequacy, reliability and the extent of evidence on the basis of providing a clear audit trail for the sampled targets.
- The methodology used in performance measurement and reporting is accurately based and consistent.

Conclusion

The overall conclusion of the audit was that the reliability of the internal key controls operating was assessed as **limited** – Certain important controls are either not in place or not operating effectively. There is a risk that the system may not achieve its objectives (see appendix 1 for definition of conclusions).

Although the Council Plan has been approved and is updated and monitored, the conclusion of “Limited Assurance” has been reached as currently there is no corporate system in place for monitoring the achievement of service plan target (some service plans have not even been produced). Without service plans’ being in place it is difficult to demonstrate how these services are contributing to the achievement of the council plan. In addition to this, of the 5 targets reviewed 1 was calculated incorrectly and 1 did not have the supporting figures available to verify the accuracy of the figure reported.

Findings and Recommendations

1. The four year Council Plan was approved in February 2015 for the period 2015 – 2019. The plan is reviewed and updated on an annual basis to take into account the latest community, demographic and performance data. The updated plan for 2017/18 was approved by full Council on 23rd February 2017.
2. The Plan has three priorities: -
 - To make Chesterfield a thriving borough (four objectives)
 - To improve the quality of life for local people (four objectives)
 - To provide value for money for services (one objective)
3. In 2016/17 56 key activities were identified to help deliver the Council Plan and meet its objectives. A progress report on the delivery of these objectives in June 2017 stated that 42 had been completed and that a further 10 were expected to be completed in the first half of 2017/18.
4. For a sample of 4 activities that was reported as being complete were reviewed. Evidence to support this green rating was extracted from Council minutes, CBC website and published policies. The activities evidenced as completed were: -

Activity	Evidence
Introducing a new Empty Homes Strategy – reflecting new legislative opportunities and in view of financial incentives currently available from central government.	Private sector empty homes strategy for 2016 – 2020 reported and approved by Cabinet 28/06/2016
Seeking funding to implement the Stand Road Bowls Pavilion project and for a children’s play area at Langer Lane.	Extract from CBC website – Play ground officially opened by Councillor T Gilby on 20/05/2017
Reviewing our Equality, Diversity and Social Inclusion Strategy.	The new Equality, Diversity and Social Inclusion Strategy approved by Council 26/04/2017
Achieve a balanced budget for 2016/17.	Report to Council 19/07/2017 on the general fund budget outturn for 2016/17 reported £100k revenue account surplus.

5. Within the Council there are two categories of performance measures. The initial set measures performance against the Council Plan which is not quantifiable in terms of measuring and assessing delivery. Consequently for these measures they can only be assessed in terms of if they are being achieved or not being achieved.
6. The second set (Performance Indicators) are more aligned with what were National Indications which are quantifiable and measurable.
7. From a review of the objectives and aims within the corporate plan it was clear that some performance indicators could be linked directly to them for example; CP03 – Number of business in the borough is linked to making Chesterfield a thriving borough. Data and results for approximately 242 performance indicators are collated by the Policy Department.
8. A number of these indicators relate to the PPP contract and are monitored via client officer meetings. Other direct financial PI's are reviewed by system audits undertaken by Internal Audit.
9. The update of the 2018/19 Council Plan stated that monitoring and challenging of core service indicators in addition to the Council Plan will be undertaken. Corporate Management team members have been requested to produce service plans of their service area and to identify what performance measures can be linked to the delivery of their service plans.
10. Managers have previously been requested by the Assistant Director of Policy and Communications to produce service plans however only a small number were returned.

Recommendations	
R1	The Assistant Director of Policy and Communications should inform CMT of which service areas have not produced service plans and enlist their help to ensure that these are being produced in a timely manner (Priority: High)
R2	It should be ensured that service plans contain performance indicators that can be directly linked to the achievement of the Council Plan (Priority: High)
R3	A Process of formally monitoring and reporting of service plan performance indicators should be established e.g. quarterly to CMT / Cabinet / Finance and Performance Board (Priority: High)
R4	Consideration be given to producing a “top 20” PI's list that shows transparency and focuses on the achievement of the Council Plan, which in turn should be reported to Members and Senior Leadership Team on a periodic basis. (Priority: Medium)

11. A progress report of the Council Plan (year 2 2016/17) was reported to Cabinet 50 27th June 2017. As part of this progress report 15 measures were developed to track the progress of the Council Plan delivery. A sample of 5 of these measures was reviewed to verify the accuracy of the results reported. These were: -

Measure	Results Reported
Number of business in the borough	3275
% Town centre shops occupied	92%
Number of green flags in the borough	5
Net new dwellings completed	132
Average market stall occupancy	54%

12. It was established that the actual number of net new dwellings was 123 however 132 was reported to Cabinet. This discrepancy was due to results being reported to the Policy department prior to the completion of the Housing Supply Position report (additional demolitions included).
13. The Average market stall occupancy was reported as 54%. From a review of statistics retained by the Markets department the annual average was calculated as 41.04% and a monthly average for March 2017 was calculated as 43.7%. This discrepancy was discussed with the Town Centre Operations Manager. It was highlighted that additional regular traders were included in the calculation such as advertisement pitches and catering pitches. These additional figures could not be verified as accurate due to statistics not being retained in a consistent format (e.g. market receipts, general receipts, proforma invoices).

Recommendation	
R5	It must be ensured that sufficient evidence is documented and retained by the reporting officer to support the PI result reported. It should be made clear that if results reported to Members are based on estimates/early figures then this should be highlighted when reported to Members (Priority: Medium)

14. It was confirmed that progress on the Council Plan is reported on a periodic basis to: -
- Finance and Performance Board
Cabinet
Full Council
Overview and Performance Scrutiny Forum
15. It was evidenced that if required Service Managers are requested to attend or comment on specific aims detailed in the Council Plan that are attributable to their service area.

Acknowledgement

16. The auditor would like to thank Assistant Director Policy and Communications and the Policy staff for their helpful assistance during the audit.

Internal Audit Consortium Opinion
Definitions

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

Internal Audit Report – Implementation Schedule

Report Title:	Performance Management / Corporate Targets	Report Date:	13 th April 2018
		Response Due By Date:	4 th May 2018

	Recommendations	Priority (High, Medium, Low)	Agreed	To be Implemented By:		Disagreed	Further Discussion Required	Comments
				Officer	Date			
R1	The Assistant Director of Policy and Communications should inform CMT of which service areas have not produced service plans and enlist their help to ensure that these are being produced in a timely manner.	High	Yes	DR	May 2018			
R2	It should be ensured that service plans contain performance indicators that can be directly linked to the achievement of the Council Plan	High	Yes	CMT (lead DR)	May 2018			
R3	A Process of formally monitoring and reporting of service plan performance indicators should be established e.g. quarterly to CMT / Cabinet / Finance and Performance Board	High	Partial	DR	May 2018	Partial		Suggest CMT and Finance and Performance Board quarterly. Overview and Scrutiny and Cabinet half yearly.
R4	Consideration be given to producing a “top 20” PI’s list that shows transparency and focuses on the achievement of the Council Plan, which in turn should be reported to Members and Senior Leadership Team on a periodic basis. (Priority: Medium)	Medium	Yes	CMT (Lead DR)	April 2019			To coincide with the delivery of the new Council Plan 2019 - 2023

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Recommendations	Priority (High, Medium, Low)	Agreed	To be Implemented By:		Disagreed	Further Discussion Required	Comments
			Officer	Date			
R5 It must be ensured that sufficient evidence is documented and retained by the reporting officer to support the PI result reported. It should be made clear that if results reported to Members are based on estimates/early figures then this should be highlighted when reported to Members	Medium	Yes	All collection officer (Lead DR)	May 2018			This will be implemented for 2018/19 reporting.

Please tick the appropriate response (✓) and give comments for all recommendations not agreed.

Signed Head of Service:	D.M. Reddish	Date:	24.04.18
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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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For publication

Review of Code of Corporate Governance and the Annual Governance Statement (GV200)

Meeting:	(1) Cabinet (2) Standards and Audit Committee
Date:	(1) 15 May 2018 (2) 23 May 2018
Cabinet portfolio:	Cabinet Member for Governance
Report by:	Internal Audit Consortium Manager

For publication

1.0 Purpose of report

- 1.1 To review compliance with the Code of Corporate Governance requirements during the year 2017/18 and to present the Annual Governance Statement and associated action plan.

2.0 Recommendations

- 2.1 That the Cabinet consider the following documents and refer any comments to the Standards and Audit Committee:
- a) the Annual Review of the Local Code of Corporate Governance for 2017/18 (Appendix A);
 - b) The review of the key elements that comprise the Council's governance arrangements (Appendix B);
 - c) the Annual Governance Statement (Appendix C);

d) the Annual Governance Statement Action Plan (Appendix D).

2.2 That the Standards and Audit Committee:

- a) consider the documents listed in 2.1 above, together with any comments from Cabinet;
- b) subject to any amendments that they consider appropriate, approve the Annual Governance Statement and Action Plan;
- c) recommend that the Annual Governance Statement be signed by the Leader and Chief Executive.

2.3 That a review of the Code of Corporate Governance be undertaken in 12 months' time.

2.4 That progress on the Action Plan is monitored by the Corporate Management Team.

3.0 Report Details

Background

3.1 As good practice and to promote sound governance arrangements local authorities are recommended to adopt and regularly review a Code of Corporate Governance. The Code of Corporate Governance details the system by which the Council controls and directs its functions and how it relates to its local community. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

3.2 The Council's Code of Corporate Governance reflects the latest CIPFA / SOLACE guidance "delivering good governance in Local Government Framework 2016 Edition".

- 3.3 The Annual Governance Statement builds on the annual review of the Code of Corporate Governance. In England, the preparation and publication of an Annual Governance Statement is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2015. The Regulation requires authorities to prepare an Annual Governance Statement in accordance with “proper practices” in relation to internal control. The CIPFA / SOLACE framework, ‘Delivering Good Governance in Local Government: Framework (2016)’, defines such “proper practices”.
- 3.4 The Annual Governance Statement should be an open and honest self-assessment of the organisation’s performance across all of its activities, with a clear statement of the actions being taken or required to address areas of concern. The 2016 CIPFA/SOLACE Framework sets out the following core principles of good Governance:-
- a) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
 - b) Ensuring openness and comprehensive stakeholder engagement;
 - c) Defining outcomes in terms of sustainable economic, social and environmental benefits;
 - d) Determining the interventions necessary to optimize the achievement of the intended outcomes;
 - e) Developing the entity’s capacity, including the capability of its leadership and the individuals within it;
 - f) Managing risks and performance through robust internal control and strong public financial management;
 - g) Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.
- 3.5 Local authorities are required to prepare an annual governance statement in order to report publicly on the extent to which they comply with their own code of governance, which in turn is consistent with the good governance principles in the

Framework.

- 3.6 Within the delivering good governance in Local Government Framework 2016 Edition is a list of the key elements of the structures and processes that comprise an authority's governance arrangements. The Corporate Management Team and other senior officers have reviewed the position in Chesterfield Borough Council against the key elements and this review is shown at Appendix B.

Review of compliance with the Code of Corporate Governance requirements

- 3.7 The Review in Appendix A shows that compliance with the Code requirements has been largely achieved during the year 2017/18. Where there is only part compliance or no compliance these areas have been addressed within the Annual Governance Statement Action Plan.

The Annual Governance Statement

- 3.8 The review of compliance with the Code of Corporate Governance helps to identify evidence which is then used in the Annual Governance Statement.
- 3.9 The guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) has also been used when producing the Annual Governance Statement. The Annual Governance Statement (Appendix C) and action plan (Appendix D) have been derived from a detailed review of the assurances by senior officers and from the work undertaken and risks identified by internal audit.
- 3.10 The Corporate Management Team and other senior officers have all been involved in the review.
- 3.11 The review indicates that many of the processes and procedures in place at Chesterfield Borough Council are compliant with good practice however there are a number of governance issues that

are detailed within the annual governance statement that require addressing.

- 3.12 Where it has been found that there is a gap or an area where the system of internal control could be further improved, the relevant item has been incorporated into an Action Plan shown as Appendix D. The items in the Action Plan have been ranked, with the more significant issues being included in the Annual Governance Statement (Appendix C) that will be published with the Council's Statement of Accounts.
- 3.13 The Annual Governance Statement (Appendix C) follows the layout of a pro forma statement recommended by the CIPFA guidance. The Statement should be signed by the Leader of the Council and the Chief Executive.

4.0 Human resources / people management implications

- 4.1 None

5.0 Financial implications

- 5.1 There are no cost implications.

6.0 Legal and data protection implications

- 6.1 The preparation and publication of an Annual Governance Statement is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2015.

7.0 Consultation

- 7.1 The Corporate Management Team and other senior officers have been involved in the review.

8.0 Risk Management

- 8.1 The failure to operate a sound system of Corporate Governance would represent a significant risk to the Council. The review of the Code of Corporate Governance and the preparation of the Annual Governance Statement have resulted in the production

of an action plan to address the risks identified. Progress against the action plan will be monitored by the Corporate Management Team and the Standards and Audit Committee.

9.0 Equalities Impact Assessment (EIA)

9.1 Whilst there are not considered to be any direct equalities impacts in relation to this report, sound corporate governance arrangements will support the achievement of the Council's equalities objectives.

10.0 Alternative options and reason for rejection

10.1 Not Applicable

11.0 Recommendations

11.1 That the Cabinet consider the following documents and refer any comments to the Standards and Audit Committee:

- a) the Annual Review of the Local Code of Corporate Governance for 2017/18 (Appendix A);
- b) The review of the key elements that comprise the Council's governance arrangements (Appendix B)
- c) the Annual Governance Statement (Appendix C);
- d) the Annual Governance Statement Action Plan (Appendix D).

11.2 That the Standards and Audit Committee:

- a) consider the documents listed in 2.1 above, together with any comments from Cabinet;
- b) subject to any amendments that they consider appropriate, approve the Annual Governance Statement and Action Plan;
- c) recommend that the Annual Governance Statement be signed by the Leader and Chief Executive.

11.3 That a review of the Code of Corporate Governance be undertaken in 12 months' time.

11.4 That progress on the Action Plan is monitored by the Corporate Management Team.

12.0 Reasons for recommendations

12.1 To enable the Cabinet and the Standards and Audit Committee to monitor compliance with the Code of Corporate Governance.

12.2 In order to comply with the requirements of the Accounts and Audit Regulations 2015.

12.3 To support the maintenance of sound governance arrangements within the Council.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	All

Document information

Report author	Contact number/email
Jenny Williams	01246 345468 <u>Jenny.williams@chesterfield.gov.uk</u>
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
Accounts and Audit (England) Regulations 2015 CIPFA/SOLACE publication – Delivering Good Governance in Local Government Framework 2016 Edition	
LOCATION: Internal Audit Office	
Appendices to the report	
Appendix A	Annual Review of the Code of Corporate Governance
Appendix B	Review of the key elements that comprise

	the Council's governance arrangements
Appendix C	Annual Governance Statement
Appendix D	Annual Governance Statement Action Plan

Appendix A
Chesterfield Borough Council
Local Code of Corporate Governance – 2017/18 Review

Principle A Page 71	A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.
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Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Behaving with integrity Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	Members, SLT, CMT	<ul style="list-style-type: none"> • Codes of conduct • Individual sign off with regard to compliance with code 	Member and Officers Codes of Conduct are within the Constitution. A revised employee code was adopted earlier this year. Complaints procedure Councillor complaints	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
<p style="text-align: center;">Page 72</p>		<ul style="list-style-type: none"> • Induction for new members and staff on standard of behaviour expected • Performance appraisals 	<p>assessed in accordance with the council procedure</p> <p>All new staff follow an induction process with their line manager and are required to complete various on line training modules</p> <p>Councillors have training on standards generally and also specifically (relating to e.g. planning, licensing). Training is supplemented by updates and refresher sessions as well as advice as necessary</p> <p>All staff have annual performance appraisals,</p>	

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
			a 6 month review and 1:1's	
Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Members, SLT, Monitoring Officer	Communicating shared values with members, staff, the community and partners	There is a Council Plan that includes a vision statement which is approved by Council on an annual basis. The Council Plan is cascaded down through SLT, CMT, service Managers meetings, team meetings and the Borough Bulletin.	Yes
Leading by example and using these standard operating principles or values as a framework for decision making and other actions	Members, SLT, CMT	<ul style="list-style-type: none"> • Decision making practices • Declarations of interests made at meetings • Conduct at meetings • Shared values 	These are set out in the Constitution Declarations of interest are asked for at the start of every Committee meeting Included in the Members Code of Conduct Protocols on	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
		<p>guide decision making</p> <ul style="list-style-type: none"> Develop and maintain an effective standards committee 	<p>Members/Officer relations and Employee Code There is an Audit and Standards Committee to consider these issues</p>	
<p>Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively</p>	<p>Monitoring Officer, Internal Audit Consortium Manager, HR, Assistant Director - Policy and communications</p>	<ul style="list-style-type: none"> Anti-fraud and corruption policies are working effectively Up-to-date register of interests 	<p>Anti-Fraud Bribery and Corruption policy approved by the Standards and Audit Committee September 16 and advertised to staff on the intranet and in the Borough Bulletin. Anti – fraud training provided to officers and Members September 16.</p> <p>Members and staff are expected to declare any interests</p>	<p>Yes</p>

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 75		<p>(members and staff)</p> <ul style="list-style-type: none"> • Up-to-date register of gifts and hospitality • Whistleblowing policies are in place and protect individuals raising concerns • Whistleblowing policy has been made available to members of the public, employees, partners and contractors • Complaints policy and 	<p>There is a current register of gifts and hospitality</p> <p>The Council has a current Confidential Reporting Code (Whistleblowing Policy) in place</p> <p>The Whistleblowing Policy is on the intranet and the Council's website</p> <p>The Council keeps a record of complaints and how they are dealt with</p>	

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 76		<p>examples of responding to complaints about behaviour</p> <ul style="list-style-type: none"> • Changes/improvements as a result of complaints received and acted upon • Members and officers code of conduct refers to a requirement to declare interests • Minutes show declarations of interest were sought and appropriate declarations made 	<p>Lessons are learnt from complaints</p> <p>The Members and Officers Codes of Conduct refer to a requirement to declare interests</p> <p>Declarations of interest is a standard heading on Committee agendas and minutes and any declarations are recorded</p>	
Demonstrating strong	Members,	<ul style="list-style-type: none"> • Scrutiny of 	There are 3 Scrutiny	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
<p>commitment to ethical values Seeking to establish, monitor and maintain the organisation's ethical standards and performance</p>	<p>Monitoring Officer Assistant Director - Policy and Communications</p>	<p>ethical decision making</p> <ul style="list-style-type: none"> Championing ethical compliance at governing body level 	<p>Committees:- 1)Overview and Performance Scrutiny Forum 2)Enterprise and Wellbeing Scrutiny Committee 3)Community, Customer and Organisational Scrutiny Committee</p> <p>An annual Scrutiny report goes to Full Council</p>	
<p>Underpinning personal behaviour with ethical values and ensuring they permeate</p>	<p>Members, SLT, CMT</p>	<p>Provision of ethical awareness training</p>	<p>Members receive training on ethical standards which is</p>	<p>Yes</p>

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
<p>all aspects of the organisation's culture and operation</p>			<p>repeated as necessary. Regulatory Committees have a mandatory training requirement</p> <p>All staff and elected members receive a comprehensive induction which covers behaviour and ethical values</p> <p>Training is also available to both members and officers on specific equality and diversity issues.</p> <p>The Council has established core values which are publicised widely to staff and members and re-enforced during EPD process.</p>	

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values Page 79	Assistant Director - Policy and Communications, Monitoring Officer	<ul style="list-style-type: none"> • Appraisal processes take account of values and ethical behaviour • Staff appointments policy • Procurement policy 	Yes e.g. ensuring that others are treated fairly Anti- harassment and bullying policy Anti- Fraud, Bribery and corruption policy Code of Conduct Equality, diversity and social inclusion policy There is a recruitment Policy that ensures a fair appointments process The Procurement Strategy is currently in Development	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
<p>Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation</p> <p>Page 80</p>	SLT,CMT	<ul style="list-style-type: none"> • Agreed values in partnership working: Statement of business ethics communicates commitment to ethical values to external suppliers • Ethical values feature in contracts with external service providers • Protocols for partnership working 	Partnership Strategy Review required - this activity has been paused due to the complexity and pace of change in partnership arrangements at the moment. Horizon scanning activity has been taking place with the political and officer leadership teams to identify next steps.	Part – see AGS action plan
<p>Respecting the rule of law Ensuring members and staff demonstrate a strong</p>	Monitoring Officer	<ul style="list-style-type: none"> • Statutory provisions • Statutory 	Legal Services Protocols Constitution Standards and Audit	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
<p>commitment to the rule of the law as well as adhering to relevant laws and regulations</p> <p>Page 81</p>		<p>guidance is followed</p> <ul style="list-style-type: none"> • Constitution 	<p>Committee Procedures in place and training to ensure e.g. planning decisions properly made. Legal duty to promote and maintain standards and vested in Standards and Audit Committee</p>	
<p>Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements</p>	<p>SLT, CMT, HR</p>	<ul style="list-style-type: none"> • Job description/specs • Compliance with CIPFA's <i>Statement on the Role of the Chief Financial Officer in Local Government</i> (CIPFA, 2015) 	<p>All jobs are required to have job descriptions and person specifications</p> <p>The Director of Finance and Resources is the nominated section 151 Officer and the Chief Accountant is the Deputy. CIPFA'S statement on the role of the Chief Financial Officer is complied with</p>	<p>Yes</p>

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 82		<ul style="list-style-type: none"> • Terms of reference • Committee support 	<p>The Local Government and Regulatory Law Manager (the Council's senior solicitor) is the Monitoring Officer. The Deputy Monitoring Officer is a nominated solicitor in their team</p> <p>The Constitution is underpinned by legal references</p> <p>Democratic and Scrutiny functions.</p>	
Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	Monitoring Officer	Record of legal advice provided by officers	<p>Constitution is underpinned by legal references Committee minutes and reports</p> <p>Constitution reviewed and updated as necessary and is subject</p>	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 83			to a rolling review, with amendments approved by Standards and Audit committee/Full Council (as appropriate)	
Dealing with breaches of legal and regulatory provisions effectively	Monitoring Officer	<ul style="list-style-type: none"> • Monitoring officer provisions • Record of legal advice provided by officers • Statutory provisions 	The Council has a Monitoring Officer With oversight of governance at the Council and a Deputy Monitoring Officer (in whom vests the legal function in the absence of the Monitoring Officer)	Yes
Ensuring corruption and misuse of power are dealt with effectively	Monitoring Officer, Internal Audit Consortium Manager, SLT	<ul style="list-style-type: none"> • Effective anti-fraud and corruption policies and procedures • Local test of assurance (where 	The Anti-Fraud Bribery and Corruption Policy was approved by the Standards and Audit Committee September 2016	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
		appropriate)		

		<p>Information Act publication scheme</p> <ul style="list-style-type: none"> • Online council tax information • Authority's goals and values • Authority website 	<p>The Council has adopted a current FOI Publication Scheme</p> <p>Council Tax information is on the website</p> <p>Included in the Council Plan</p> <p>Current website full of information</p>	
<p>Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided</p>	<p>Members, SLT, CMT</p>	<p>Record of decision making and supporting materials</p>	<p>All reports are "open" agenda items unless there is a valid reason to exclude the public. All decisions by Committees are minuted</p>	<p>Yes</p>
<p>Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> • Decision making protocols • Report pro- 	<p>Set out in the Constitution</p> <p>There is a template for</p>	<p>Yes</p>

and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear

Democratic and Scrutiny Officer

formas

- Record of professional advice in reaching decisions
- Meeting reports show details of advice given
- Discussion between members and officers on the information needs of members to support decision making
- Agreement on the information that will be provided and timescales
- Calendar of

Committee reports with Standard headings and an online system in place for reviewing and signoff of reports via ModGov

Officers reports are all retained with the Committee agendas and papers
Officer

Recommendations included in Committee reports

Members can request whatever information they need

Terms of reference of

		<p>dates for submitting, publishing and distributing timely reports is adhered to</p>	<p>the Committees and scheduled meetings during the year</p> <p>Meeting timetable is published</p>	
<p>Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> • Community strategy • Use of consultation feedback • Citizen survey 	<p>External communications strategy. Community engagement strategy and annual programme. Housing have a Customer Engagement Strategy as required by the HCA and provide a variety of opportunities for tenants to be involved in and shape service delivery.</p>	<p>Yes</p>
<p>Engaging comprehensively with institutional stakeholders Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are</p>	<p>Assistant Director – Policy and Communications</p>	<p>Communication strategy</p>	<p>There are approved internal and external communication strategies in place.</p> <p>Senior Leadership Team has defined relationship leads for key stakeholders.</p>	<p>Yes</p>

clear so that outcomes are achieved successfully and sustainably			Stakeholder mapping. Bespoke communication and research plans developed.	
Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively Page 89	SLT, CMT	Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes	Stakeholder groups identified for different consultation types e.g. community and voluntary sector, sport and leisure organisations, planning consultations, equality and diversity forum etc. Stakeholder mapping. Bespoke communication consultation and research plans.	Yes
Ensuring that partnerships are based on: trust a shared commitment to change a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	Assistant Director - Policy and Communications	<ul style="list-style-type: none"> Partnership framework Partnership protocols 	Housing's Tenant Challenge Panel (Scrutiny equivalent) has a clear set of Terms of Reference and Code of Conduct for Members. Update required to partnership strategy and protocols	Part – see action plan
Engaging stakeholders effectively, including individual citizens and service users	Assistant Director - Policy and Communications	<ul style="list-style-type: none"> Record of public consultations Partnership 	Community Engagement Strategy Community Engagement Programme	Yes

<p>Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.</p>		<p>framework</p>	<p>Consideration in decision reports Equality impact assessments</p>	
<p>Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement</p> <p>Page 90</p>	<p>Assistant Director – Policy and Communications</p>	<p>Communications strategy</p>	<p>There are internal and external communication strategies in place.</p> <p>Community Engagement Strategy</p> <p>Community Engagement Group</p> <p>Derbyshire wide engagement group to share best practice and develop joint approaches where applicable</p>	<p>Yes</p>
<p>Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> • Communications strategy • Joint strategic needs 	<p>There is an external Communications Strategy in place</p>	<p>Yes</p>

<p>organisations of different backgrounds including reference to future needs</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 91</p>	<p>Communications and Marketing Manager</p>	<p>assessment</p>	<p>Community Engagement Strategy</p> <p>Annual Community Engagement Programme</p> <p>Housing operates a variety of ways for tenants to be involved and give their views e.g. focus groups/ formal meetings/ informal drop in's/ use of a consultation bus in the community. Stakeholder mapping. Bespoke communication consultation and research plans developed.</p>	
<p>Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account</p>	<p>Assistant Director - Policy and Communications Communications and Marketing Manager</p>	<p>Communications strategy</p>	<p>There are internal and external communication strategies in place.</p> <p>Community Engagement Strategy</p> <p>Community Engagement Group</p>	<p>Yes</p>

			<p>Part of decision making process – report template</p> <p>Equality Impact Assessments</p> <p>Results of consultation exercises are published e.g. (during 16/17) on future use of the former Queens Park Sports Centre Site.</p>	
<p>Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity</p> <p>Page 92</p>	<p>Assistant Director - Policy and Communications</p>	<p>Processes for dealing with competing demands within the community, for example a consultation</p>	<p>Forms part of the decision making report template</p> <p>Equality Impact Assessments</p>	<p>Yes</p>
<p>Taking account of the interests of future generations of tax payers and service users</p>	<p>SLT, CMT</p>	<ul style="list-style-type: none"> • Reports • Joint strategic needs assessment 	<p>Annual State of the Borough Report and briefing notes on emerging issues.</p> <p>Horizon scanning activity with Corporate Cabinet/SLT/CMT at development days</p>	<p>Yes</p>

<p>Principle C</p>	<p>Defining outcomes in terms of sustainable economic, social, and environmental benefits</p> <p>The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.</p>			
<p>Defining outcomes Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions</p>	<p>Members, SLT,CMT</p>	<p>Vision used as a basis for corporate and service planning</p>	<p>There is a Council Plan that defines the Council’s vision and priorities. This sets the framework for all service plans.</p>	<p>Yes</p>
<p>Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer</p>	<p>Assistant Director - Policy and communications</p>	<ul style="list-style-type: none"> • Community engagement and involvement • Corporate and service plans 	<p>The Council Plan covers 4 years and covers what the Council aims to achieve and what that will mean for people</p> <p>Service Plans are renewed every year and are developed from the</p>	<p>Yes</p>

		<ul style="list-style-type: none"> Community strategy 	<p>Council Plan</p> <p>Community Engagement Strategy</p> <p>State of the Borough Report</p>	
Delivering defined outcomes on a sustainable basis within the resources that will be available	SLT, CMT	Regular reports on progress	The council plan is aligned to the medium term financial plan and refreshed each year on the basis of the affordability of each of the priorities	Yes
Identifying and managing risks to the achievement of Outcomes	SLT, CMT, Risk Management Group	<ul style="list-style-type: none"> Performance trends are established and reported upon Risk management protocols 	<p>The performance framework includes quarterly challenge at Finance and Performance Board and Overview and Performance Scrutiny. Annual performance report to Cabinet. The risk management group meets on a quarterly basis and reviews the strategic risk register and the service risk registers on a rotational basis</p>	Yes

			There is a risk management strategy in place	
<p>Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available</p> <p>Page 95</p>	SLT, CMT	<ul style="list-style-type: none"> • An agreed set of quality standard measures for each service element and included in service plans • Processes for dealing with competing demands within the community 	<p>Communications strategy</p> <p>Service plans include performance targets</p> <p>Budgeting/service reviews/forward planning</p>	Yes
<p>Sustainable economic, social and environmental benefits</p> <p>Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision</p>	Members, SLT	Capital investment is structured to achieve appropriate life spans and adaptability for future use or that resources (e.g. land) are spent on optimising social, economic and environmental	The Council's property portfolio is constantly under review, The aim is to sell a number of assets to release funds for capital projects.	Yes

		<p>wellbeing:</p> <ul style="list-style-type: none"> • Capital programme • Capital investment strategy 	<p>The capital programme is approved by Members each year. Officers have to submit capital bids</p> <p>There is a treasury management strategy that is reviewed and approved on an annual basis</p>	
<p>Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints</p>	<p>Members, SLT, CMT</p>	<ul style="list-style-type: none"> • Discussion between members and officers on the information needs of members to support decision making • Record of decision making and supporting materials 	<p>Meetings with Cabinet Member for Finance and Governance on constitution review and effective decision making. Scrutiny interest in these matters.</p> <p>HRA Business Plan Steering Group to lead on the development of the HRA Business Plan. Comprises of tenants, officers and elected members (scrutiny is part of this group)</p>	<p>Yes</p>

			All committee meetings are minuted and the associated reports retained	
<p>Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> Record of decision making and supporting materials Protocols for consultation 	<p>Community Engagement Strategy Annual action plans External Communications Strategy including media protocol and social media policy. State of the Borough Report. Modgov system to access decision making papers and records.</p>	<p>Yes</p>
<p>Ensuring fair access to services</p>	<p>Assistant Director - Policy and Communications</p>	<p>Protocols ensure fair access and statutory guidance is followed</p>	<p>Community engagement Strategy External communications strategy Consultation is part of our Equality Impact Assessments. Equality, Diversity and Social Inclusion Policy, Strategy and action plan.</p>	<p>Yes</p>

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<p>Principle D</p>	<p>Determining the interventions necessary to optimise the achievement of the intended outcomes</p> <p>Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.</p>			
<p>Determining interventions</p> <p>Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided</p>	<p>SLT, CMT</p>	<p>Discussion between members and officers on the information needs of members to support decision making</p> <ul style="list-style-type: none"> • Decision making protocols • Option appraisals • Agreement of information that will be provided and timescales 	<p>Member/officer decision making protocols in place</p> <p>All Committee reports contain various options and an officer recommendation</p> <p>All committee reports contain a risk analysis</p>	<p>Yes</p>
<p>Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise</p>	<p>SLT, CMT</p>	<p>Financial strategy</p>	<p>There is a medium term financial strategy in place and a savings plan both of which are regularly reviewed.</p>	<p>Yes</p>

competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts			HRA Business Plan Steering Group has been fully involved in recommending financial savings to Cabinet in respect of HRA Business Plan.	
Planning interventions Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	SLT, CMT	Calendar of dates for developing and submitting plans and reports that are adhered to	Schedule of meetings in place Annual budgets and revised budgets Council plan reviewed annually Forward Plan	Yes
Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	Assistant Director - Policy and Communications	Communication strategy	The Council has adopted a Community Engagement Strategy and develops annual action plans. Feedback given on consultation via the CBC website, Community Assemblies and Your Chesterfield where appropriate Internal and external communications strategy	Yes
Considering and monitoring risks facing each partner	Assistant Director - Policy	<ul style="list-style-type: none"> Partnership framework 	There is a risk management strategy in	Yes

<p>when working collaboratively including shared risks</p>	<p>and Communications SLT, CMT</p>	<ul style="list-style-type: none"> • Risk management protocol 	<p>place that is refreshed every year</p>	
<p>Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances</p> <p>Page 101</p>	<p>SLT, CMT</p>	<p>Planning protocols</p>	<p>Corporate Management Team managers are empowered to run their service flexibly to deliver the Council Plan priorities.</p> <p>Competency based JD/PS for SLT/CMT increases flexibility and agility. This is being rolled out across the Council.</p> <p>One Council: One Team is a core CBC value which is considered during all EPD's.</p>	<p>Yes</p>
<p>Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured</p>	<p>SLT, CMT</p>	<p>KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly</p>	<p>Service plans all contain performance indicators.</p> <p>The performance framework includes quarterly challenge at Finance and</p>	<p>Yes</p>

			Performance Board and Overview and Performance Scrutiny. Annual Performance report to Cabinet.	
<p>Ensuring capacity exists to generate the information required to review service quality regularly</p> <p>Page 102</p>	SLT, CMT	Reports include detailed performance results and highlight areas where corrective action is necessary	The Policy and Communications Service has now been restructured with resources being identified to embed the framework. The performance framework includes quarterly challenge at Finance and Performance Board and Overview and Performance Scrutiny. Annual Performance report to Cabinet.	Yes
Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan	Director of Finance and Resources/ Chief Accountant	Evidence that budgets, plans and objectives are aligned	Accountancy has regular budget meetings with service managers. Budgets prepared in liaison with service managers taking in to account service plans and savings targets	Yes

<p>Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy</p>	<p>Director of Finance and Resources/ Chief Accountant</p>	<ul style="list-style-type: none"> • Budget guidance and protocols • Medium term financial plan • Corporate plans 	<p>Budget guidance protocols issued to all managers There is a medium term financial plan that is reported to Members There is a Finance and Performance Board that meets every fortnight</p>	<p>Yes</p>
<p>Optimising achievement of intended outcomes Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints</p>	<p>Director of Finance and Resources/ Chief Accountant</p>	<ul style="list-style-type: none"> • Feedback surveys and exit/ decommissioning strategies • Changes as a result 	<p>Service managers are involved in the budget and revised budget process and receive monthly budget information. The medium term financial plan incorporates budget savings targets etc.</p>	<p>Yes</p>
<p>Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term</p>	<p>Director of Finance and Resources</p>	<p>Budgeting guidance and protocols</p>	<p>Budget guidance and protocols are issued to all service managers. Well established budget preparation and review procedures Budget challenge sessions</p>	<p>Yes</p>

<p>Ensuring the medium term financial strategy sets the context for on-going decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage</p>	<p>Director of Finance and Resources</p>	<p>Financial strategy</p>	<p>The financial strategy is regularly reviewed and updated as new external information emerges</p>	<p>Yes</p>
<p>Ensuring the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes"</p>	<p>SLT,CMT</p>	<ul style="list-style-type: none"> • Service plans demonstrate consideration of 'social value' • Achievement of 'social value' is monitored and reported upon 	<p>The priorities in the Council plan are</p> <ol style="list-style-type: none"> 1) To make Chesterfield a thriving Borough 2) To improve the quality of life for local people 3) To provide value for money services <p>Service plans are built up to reflect these priorities</p>	<p>Yes</p>

<p>Principle E</p>	<p>Developing the entity’s capacity, including the capability of its leadership and the individuals within it</p> <p>Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.</p>			
<p>Developing the entity’s capacity</p> <p>Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness</p>	<p>Executive Director/Kier</p>	<p>Regular reviews of activities, outputs and planned outcomes</p>	<p>The use of the Council’s buildings is regularly reviewed to ensure that they are fully utilised or potentially sold. The Town Hall is being modernised to facilitate bringing in other businesses to share the accommodation. Council staff from Venture house are being relocated so that more rental income can be achieved at Venture House.</p> <p>Housing has an agreed process for disposing of</p>	<p>Part compliance – Condition surveys should be used to identify the capital and revenue budgets required to maintain non housing properties. See AGS action plan</p>

			<p>underperforming assets. Disposal of shops, miscellaneous properties and plot garage sites.</p> <p>The condition of the Council's non housing properties are in the process of being assessed in order to be able to identify appropriate capital and revenue budgets to maintain assets to an appropriate standard.</p>	
<p>Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently</p>	SLT, CMT	Utilisation of research and benchmarking exercise	<p>Within each service area use is made of available benchmarking e.g. through APSE, in order to compare service provision, value for money etc. Fees and charges are set with regard to those in place in other areas and reviewed each year by Cabinet.</p> <p>Sector led improvement activity including LGA</p>	Yes

			peer challenge, East Midlands Performance Network and APSE.	
<p>Recognising the benefits of partnerships and collaborative working where added value can be achieved</p> <p>Page 107</p>	Members, SLT, CMT	Effective operation of partnerships which deliver agreed outcomes	The Council has many partnerships including Arvato, Kier, Internal Audit Consortium, Building Control, Joint Crematorium, Sheffield City Region and these are monitored to ensure that the desired outcomes are obtained	Yes
Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	SLT, HR	<ul style="list-style-type: none"> • Workforce plan • Organisational development plan 	The Council has a workforce Strategy and plan that all managers have been made aware of. The plan was revised during 2017/18 to ensure focus and a realistic set of deliverables. A new staff group has been set up to help deliver this.	Yes
<p>Developing the capability of the entity's leadership and other individuals</p> <p>Developing protocols to</p>	SLT, Democratic Services, Monitoring Officer	<ul style="list-style-type: none"> • Job descriptions • Chief executive and leader pairings have 	Every post has a job description and person specification. The CE has regular	Yes

<p>ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained</p>		<p>considered how best to establish and maintain effective communication</p>	<p>meetings with the leader</p>	
<p>Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body</p>	<p>Monitoring Officer</p>	<ul style="list-style-type: none"> • Scheme of delegation reviewed at least annually in the light of legal and organisational changes • Standing orders and financial regulations which are reviewed on a regular basis 	<p>The Constitution is reviewed on an on-going basis</p> <p>Standing orders and financial regulations are reviewed periodically</p>	<p>Yes</p>
<p>Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of</p>	<p>Members, CE</p>	<p>Clear statement of respective roles and responsibilities and how they will be put into practice</p>	<p>The Constitution defines the roles of Committees and Members. Part 2 of the Constitution defines management roles at paragraph 12.1 including the role of the Chief Executive.</p>	<p>Yes</p>

<p>services and other outputs set by members and each provides a check and a balance for each other's authority</p>				
<p>Developing the capabilities of members and senior management to achieve effective shared leadership And to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <p>-ensuring members and staff have access to appropriate induction tailored to their role and that on-going training and development matching individual and organisational requirements is available and encouraged</p> <p>ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their</p>	<p>SLT, CMT, HR</p>	<ul style="list-style-type: none"> • Induction programme • Personal development plans for members and officers <p>For example, for members this may include the ability to:</p> <ul style="list-style-type: none"> • scrutinise and challenge • recognise when outside expert advice is required • promote trust • work in partnership 	<p>Training programme for managers – management modules on Aspire Learning Annual employee development reviews that identify training requirements Induction programme IIP accreditation</p> <p>Cabinet members and senior management hold regular away days to foster a collaborative working relationship.</p> <p>All members undergo induction training, and this is supplemented by specific training on e.g. planning, licensing,</p>	<p>Yes</p>

<p>roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</p> <p>ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external</p>		<ul style="list-style-type: none"> • lead the organisation • act as a community leader • Efficient systems and technology used for effective support <p>Arrangements for succession planning</p>	<p>standards. Officers undergo relevant CPD to ensure their professional skills and knowledge maintained and updated.</p> <p>Workforce Planning Strategy</p>	
<p>ensuring that there are structures in place to encourage public participation</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> • Residents' panels • Stakeholder forum terms of reference • Strategic partnership frameworks 	<p>Community Engagement Strategy</p> <p>Annual Community Engagement Programme</p> <p>Stakeholder mapping</p> <p>Bespoke communication consultation and research plans</p>	<p>Yes</p>

<p>Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections</p>	<p>Democratic Services / Monitoring Officer</p>	<ul style="list-style-type: none"> • Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs • Peer reviews 	<p>Member development Group includes learning and development programme</p> <p>The Council had a Peer challenge review in November 2013</p> <p>Investors in people</p> <p>Employee survey</p>	<p>Yes</p>
<p>Holding staff to account through regular performance reviews which take account of training or development needs</p>	<p>SLT, CMT</p>	<ul style="list-style-type: none"> • Training and development plan • Staff development plans linked to appraisals • Implementing appropriate human resource policies and ensuring that they are working effectively 	<p>Annual PDRs and regular 1:1's. The PDR contains Objectives and Learning Plan that is completed. Learning and Development undertaken in the previous year is also reviewed.</p>	<p>Yes</p>
<p>Ensuring arrangements are in</p>	<p>HR</p>	<p>Human resource</p>	<p>Managing workplace</p>	<p>Part – A number of</p>

<p>place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing</p>		<p>policies</p>	<p>Stress policy Capability Policy Managing attendance Policy Mental Health awareness training day for managers. Training for managers on a number of these policies was undertaken in 2017/18.</p> <p>However, there are a number of health and safety policies that are out of date and require review.</p>	<p>policies are out of date, lack of reporting on health issues to Health and Safety Committee. See AGS action plan</p>
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Principle F

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Managing risks and performance through robust internal control and strong public financial management

Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.

A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.

It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

Managing risk

Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making

Members, SLT, CMT

Risk management protocol

There is a risk management strategy in place that is reviewed every year

Yes

Implementing robust and integrated risk management arrangements and ensuring that they are working effectively

Director of Finance and Resources

Risk management strategy/ policy formally approved and adopted and reviewed and updated on a regular basis

There is a risk management strategy in place that is reviewed every year. There is a Corporate risk register and service risk registers

Yes

<p>Ensuring that responsibilities for managing individual risks are clearly allocated</p>	<p>Risk Management Group, SLT, CMT</p>	<p>Risk management protocol</p>	<p>The risk management strategy outlines everybody's responsibilities</p>	<p>Yes</p>
<p>Managing performance Monitoring service delivery effectively including planning, specification, execution and independent post implementation review</p>	<p>SLT, CMT</p>	<ul style="list-style-type: none"> • Performance map showing all key activities have performance measures • Benchmarking information • Cost performance (using inputs and outputs) • Calendar of dates for submitting, publishing and distributing timely reports that are adhered to 	<p>All areas have a service plan and performance measures form part of that.</p> <p>Financial Planning Group receives regular reports from each service to track delivery against financial targets.</p> <p>Performance Management Framework with quarterly reporting schedule.</p>	<p>Yes</p>
<p>Making decisions based on</p>	<p>Member, SLT,</p>	<ul style="list-style-type: none"> • Discussion 	<p>All committee reports</p>	

<p>relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook</p> <p>Page 115</p>	<p>CMT</p>	<p>between members and officers on the information needs of members to support decision making</p> <ul style="list-style-type: none"> • Publication of agendas and minutes of meetings • Agreement on the information that will be needed and timescales 	<p>have a section for risk that officers must complete for Members information.</p> <p>All agendas and minutes are published</p> <p>Agreed between Members and Officers</p>	
<p>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible</p> <p>(OR, for a committee system)</p>	<p>Monitoring Officer, Assistant Director - Policy and Communications Democratic and Scrutiny Officer.</p>	<ul style="list-style-type: none"> • The role and responsibility for scrutiny has been established and is clear • Agenda and minutes of scrutiny meetings • Evidence of improvements as a result of scrutiny 	<p>Scrutiny Roles and Responsibilities are defined in the Constitution. There are 3 scrutiny committees:-</p> <ul style="list-style-type: none"> • Enterprise and Wellbeing, • Community, Customer and Organisational • Overview and Performance <p>Their role is to produce</p>	<p>Yes</p>

<p>Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</p>		<ul style="list-style-type: none"> • Terms of reference • Training for members • Membership 	<p>reports and recommendations which advise Cabinet, the Council or relevant Committees on Policies, budget and service delivery.</p>	
<p>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement</p>	<p>CMT</p>	<p>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</p>	<p>A full Committee calendar is published at the start of each financial year</p>	<p>Yes</p>
<p>Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg. financial statements)</p>	<p>Director of Finance and Resources</p>	<ul style="list-style-type: none"> • Financial standards, guidance • Financial regulations and standing orders 	<p>Financial Standards and guidance are adhered to. The accounts are audited by KPMG Financial Regulations and Standing orders are within the Constitution</p>	<p>Yes</p>
<p>Robust internal control Aligning the risk management strategy and</p>	<p>Internal Audit Consortium Manager</p>	<ul style="list-style-type: none"> • Risk management strategy 	<p>The audit plan takes in to account high risk areas and areas that are</p>	<p>Yes</p>

<p>policies on internal control with achieving the objectives</p>		<ul style="list-style-type: none"> • Audit plan • Audit reports 	<p>included in the corporate and service risk registers</p>	
<p>Evaluating and monitoring the authority's risk management and internal control on a regular basis</p>	<p>Standards and Audit Committee, Internal Audit Consortium Manager</p>	<p>Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis</p>	<p>The risk management Strategy is formally reviewed and approved every year by Standards and Audit Committee and Cabinet Internal Audit review the Council's risk management arrangements</p>	<p>Yes</p>
<p>Ensuring effective counter fraud and anti-corruption arrangements are in place</p>	<p>SLT</p>	<p>Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)</p>	<p>There is an anti-fraud Bribery and Corruption policy in place (revised September 2016). All managers received fraud awareness training in September 2016 The CIPFA fraud checklist has been completed and reported to the Standards and Audit Committee Sept 16</p>	<p>Yes</p>
<p>Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk</p>	<p>Director of Finance and Resources, Standards and</p>	<ul style="list-style-type: none"> • Annual governance statement • Effective internal 	<p>The Internal Audit Consortium Manager is heavily involved in producing the AGS.</p>	<p>Yes</p>

<p>management and control is provided by the internal auditor</p>	<p>Audit Committee</p>	<p>audit service is resourced and maintained</p>	<p>The IAC is resourced and maintained at a satisfactory level. An external review of internal audit took place in October 2016 and concluded that the IA Consortium was compliant with the PSIAS.</p>	
<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon</p>	<p>Standards and Audit Committee</p>	<p>Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013)</p> <ul style="list-style-type: none"> • Terms of reference • Membership • Training 	<p>The audit committee terms of reference are defined in the constitution. The Committee consists of 7 members – 5 Councillors other than the Executive leader. No more than one of those 5 councillors may be a member of the Cabinet. Two parish reps one from Staveley Town Council and one member of Brimington PC</p> <p>Standards and Audit Committee members received relevant training after</p>	<p>Yes</p>

			appointment in May 16 and new appointees receive relevant training	
<p>Managing data Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data</p> <p>Page 119</p>	Customers, Commissioning and Change Manager	<ul style="list-style-type: none"> • Data management framework and procedures • Designated data protection officer • Data protection policies and procedures 	<p>There is a data disposal and retention schedule covering all areas of the Council.</p> <p>The Council is actively working towards becoming compliant with the new GDPR regulations when they are introduced in May 2018 however there is still a significant amount of work to be completed.</p>	Partly – Data Protection issues have been identified. There is a GDPR action plan and ICT improvement plan in place that will address these issues. See AGS action plan.
Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	Customers, Commissioning and Change Manager	<ul style="list-style-type: none"> • Data sharing agreement • Data sharing register • Data processing agreements 	Data sharing and data processing agreements are in place for key partnerships and being revised for GDPR. Privacy notices developed. Information assurance system implemented to track data sharing. Secure file sharing is now in place.	Partly – Contracts and data sharing agreement amendments are ongoing with all suppliers and is expected to be completed by August 2018. An intra-council data sharing review will be completed

				during 2018.
Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	Assistant Director - Policy and communications , Executive Director	<ul style="list-style-type: none"> • Data quality procedures and reports • Data validation procedures 	Methodology checks for data e.g. consultation activity, State of the Borough report Performance Management Framework – still needs further development, relies on service plans being in place.	Part – needs further development of indicators and relies on service plans being in place. See AGS action plan.
Strong public financial management Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance	Director of Finance and Resources	Financial management supports the delivery of services and transformational change as well as securing good stewardship	Medium term financial plan Finance and Performance Board Reporting to Members	Yes
Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	Director of Finance and Resources	Budget monitoring reports	Managers receive monthly budget monitoring reports Regular reporting to Members Quarterly budget meetings with CMT	Yes

			Managers. Finance and Performance Board Savings Strategy	
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<p>Principle G</p>	<p>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p> <p>Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.</p>			
<p>Implementing good practice in transparency</p> <p>Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate</p> <p>Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand</p>	<p>SLT, CMT</p>	<ul style="list-style-type: none"> • Website • Annual report 	<p>There is an internal and an external communications strategy</p> <p>The website has been developed</p> <p>The Council newspaper “Your Chesterfield” is sent out 3 times a year</p> <p>There is no specific annual report but achievements against priorities are communicated to the public through the media, council website and various social media channels.</p> <p>The style of committee reports is specified to ensure ease of reading and consistency</p>	<p>Yes</p>
<p>Implementing good practices in reporting</p>	<p>SLT</p>	<ul style="list-style-type: none"> • Formal annual report which 	<p>The annual update on the council plan includes</p>	<p>Yes</p>

<p>Reporting at least annually on performance, value for money and the stewardship of its resources</p>		<p>includes key points raised by external scrutineers and service users' feedback on service delivery</p> <ul style="list-style-type: none"> • Annual financial statements 	<p>a section on performance in the previous year</p> <p>The annual financial statement for 2016/17 were signed off by the required date</p>	
<p>Ensuring members and senior management own the results</p>	<p>Members, SLT</p>	<p>Appropriate approvals</p>	<p>The Corporate Management Team are all involved in monitoring progress against the council plan which is reported to members</p>	<p>Yes</p>
<p>Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)</p>	<p>SLT, CMT, Internal Audit Consortium Manager</p>	<p>Annual governance statement</p>	<p>The annual governance statement is produced via a robust process that involves all of the Corporate Management Team. Attainment against the framework is assessed. Each year an action plan is produced and monitored to address identified weaknesses</p>	<p>Yes</p>

<p>Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate</p>	<p>SLT</p>	<p>Annual governance statement</p>	<p>The framework applies to jointly managed and shared service organisations</p>	<p>Yes</p>
<p>Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations</p>	<p>Director of Finance and Resources</p>	<p>Format follows best practice</p>	<p>The financial statement are reviewed and signed off by external audit (KPMG) which confirms that they comply with best practice.</p>	<p>Yes</p>
<p>Assurance and effective accountability Ensuring that recommendations for corrective action made by external audit are acted upon Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon</p>	<p>Director of Finance and Resources</p>	<ul style="list-style-type: none"> • Recommendations have informed positive improvement • Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2010) • Compliance with Public Sector Internal Audit Standards 	<p>An action plan is put in place to implement external audits recommendations. The implementation of internal audit recommendations is monitored by CMT and the Standards and Audit Committee. The Internal Audit Consortium Manager is CIPFA qualified and complies with the statement on the role of</p>	<p>Yes</p>

			the Head of Internal Audit.	
<p>Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations</p> <p>Page 125</p>	SLT	Recommendations have informed positive improvement	<p>Investors in people action plan in place – re assessment starts January 2018</p> <p>External review of Internal audit undertaken October 2016 – action plan in place</p> <p>The Council’s insurers Zurich have aided in putting effective risk management procedures in place</p> <p>Safeguarding – the framework of another council has been used to challenge and review our own approach.</p>	Yes
Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	SLT , Internal Audit Consortium Manager	Annual governance statement	Internal audit review the areas that are delivered by Arvato and Kier and any significant internal control weaknesses are fed through to the AGS	Yes

<p>Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met</p>	<p>Assistant Director - Policy and Communications</p>	<p>Community strategy</p>	<p>Community Engagement Strategy</p> <p>Decision making arrangements – committee management and Modgov.</p>	<p>Yes</p>
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SLT = Senior Leadership Team

CMT = Corporate Management Team

CHESTERFIELD BOROUGH COUNCIL

KEY ELEMENTS OF THE SYSTEMS AND PROCESSES THAT COMPRISE THE COUNCIL'S GOVERNANCE ARRANGEMENTS 2017/18

Key Element	CBC Arrangement
Developing codes of conduct which define standards of behaviour for members and staff, and policies dealing with whistleblowing and conflicts of interest and that these codes and policies are communicated effectively	Codes of conduct for members and staff are included within the Constitution which is available to all staff on the intranet. Codes of conduct cover conflicts of interest. The Council has a Confidential Reporting (Whistle blowing) Policy which is held in the policies section on the intranet. Councillors have training on standards generally and also specifically (relating to e.g. planning, licensing). Training is supplemented by updates and refresher sessions as well as advice as necessary. All staff and elected members receive a comprehensive induction which covers behaviour and ethical values.
Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful	Retain a properly resourced internal audit function and have an appointed monitoring officer and section 151 officer.
Documenting a commitment to openness and acting in the public interest	Annual financial statements Council Plan The Council has adopted a current FOI Publication Scheme There are approved internal and external communication strategies in place Community Engagement Strategy All decisions by Committees are minuted There is an HRA Business Plan Steering Group to lead on the development of the HRA Business Plan that comprises of tenants, officers and elected members.
Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation	The Council Newspaper "Your Chesterfield" The Council website Social Media Channels Council Tax information is on the website Current website full of information All reports are "open" agenda items unless there is a valid reason. Community Engagement Strategy.

	<p>Feedback given on consultation through the website.</p> <p>One recent consultation has been on the usage of the old Queens Park Sports Centre site.</p> <p>An annual report to tenants is prepared and sent to the Housing Regulator (HCA), published on the website and a summary sent to all tenants at the end of September each year.</p> <p>Housing have a Customer Engagement Strategy as required by the HCA and provide a variety of opportunities for tenants to be involved in and shape service delivery e.g. focus groups/formal meetings/informal drop ins/ use of a consultation bus in the community.</p>
Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning	<p>The council has a Council Plan 2015 – 19 which specifies the Council's vision, priorities and values. This document details the aims of the council and sets the framework for all service plans. The council plan is aligned to the medium term financial plan and refreshed each year on the basis of the affordability of each of the priorities.</p> <p>One Council : One Team is a core CBC value which is considered during all EPD's.</p>
Translating the vision into courses of action for the authority, its partnerships and collaborations	<p>The "vision" / corporate Plan is fed in to service plans which include service objectives and performance indicators which all tie back to the Council's Corporate Plan</p>
Reviewing the effectiveness of the decision making in partnerships, information provided to decision makers and robustness of data quality	<p>This activity has been paused due to the complexity and pace of change in partnership arrangements at the moment. Horizon scanning activity has been taking place with the political and officer leadership teams to identify next steps.</p>
Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money	<p>Quarterly performance monitoring and improvement now in place. This includes challenge at Finance and Performance Board and Overview and Scrutiny Forum.</p>
Defining and documenting the roles and responsibilities of members and management with clear protocols for effective communication in respect of the authority and partnership arrangements	<p>The roles of members and management are documented within the Constitution. All managers have job descriptions.</p>

<p>Ensuring that financial management arrangements conform with the governance requirements of the CIPFA statement on the role of the Chief Financial Officer in Local Government (2015) and where they do not, explain why and how they deliver the same impact</p>	<p>The Council has in place an experienced qualified accountant as Chief Financial Officer and complies with the requirements of the CIPFA statement on the Role of the Chief Financial Officer. There is also a very experienced and qualified Chief Accountant in post.</p>
<p>Ensuring effective arrangements are in place for the discharge of the monitoring officer function</p>	<p>The Council has an experienced Monitoring Officer in place</p>
<p>Ensuring effective arrangements are in place for the discharge of the head of paid service function</p>	<p>The Chief Executive is the Head of Paid service</p>
<p>Providing induction and identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training</p>	<p>All Members undergo induction training and this is supplemented by specific training on e.g. planning, licensing, standards.</p> <p>All officers have an induction and undergo relevant CPD to ensure that their professional skills and knowledge are maintained and updated. Training needs are identified at EPD's and feed through in to a learning and development plan.</p>
<p>Reviewing the effectiveness of the framework for identifying and managing risks and for performance and demonstrating clear accountability</p>	<p>There is a risk management Group in place, membership is made up of senior officers from every area of the Council. The Group regularly review the strategic and operational Risk registers and is supported by an officer from the Council's insurers. Internal audit undertake regular reviews of the risk management process.</p>
<p>Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014)</p>	<p>The Council has an anti-fraud, bribery and corruption policy and a confidential reporting Code. CIPFA's fraud checklist has been completed and the results reported to the Standards and Audit Committee. Fraud awareness training has been provided to all service managers in September 2016.</p> <p>The Council has a fraud risk register</p>
<p>Ensuring an effective scrutiny function is in place</p>	<p>There are 3 Scrutiny Committees Overview and Performance Scrutiny Forum Enterprise and Wellbeing Scrutiny Committee Community, Customer and Organisational Scrutiny Committee</p> <p>An annual Scrutiny report goes to Full Council</p>

<p>Ensuring that assurance arrangements conform with the governance requirements of the CIPFA statement on the Role of the Head of Internal Audit (2010) and, where they do not, explain why and how they deliver the same impact</p>	<p>The Council is compliant with the CIPFA statement on the Role of Head of Internal Audit. The Internal Audit Consortium Manager is CIPFA qualified and there are sufficient resources to deliver the risk based audit plan.</p>
<p>Undertaking the core functions of an audit committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA 2013)</p>	<p>The Standards and Audit Committee's terms of reference are included within the Constitution. The Standards and Audit Committee have undertaken a self- assessment of their role</p>
<p>Ensuring that the authority provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.</p>	<p>The 2016/17 final accounts were signed off in a timely manner. External audit recommendations are properly considered and acted upon.</p>
<p>Incorporating good governance arrangements in respect of partnerships and other joint working and ensuring that they are reflected across the authority's overall governance structures.</p>	<p>Core partnerships are supported by Service Level Agreements and are monitored accordingly by the Council's Client Officer, Joint Board etc. Housing's Tenant Challenge panel has a clear set of Terms of Reference and Code of Conduct for Members.</p>

CHESTERFIELD BOROUGH COUNCIL

ANNUAL GOVERNANCE STATEMENT 2017/18

Scope of Responsibility

Chesterfield Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Chesterfield Borough Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA / SOLACE Framework *Delivering Good Governance in Local Government Framework 2016 edition*. This Statement explains how the Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015 which requires all relevant bodies to prepare an annual governance statement.

The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Council for the year ended 31st March 2018 and up to the date of approval of the statement of accounts.

The governance framework

The key elements of the systems and processes that comprise the Council's governance framework are as follows:-

The Council's vision is "Putting our communities first". Chesterfield Borough Council identifies and communicates the authority's vision of its purpose and intended outcomes for citizens and service users via its Council Plan and Vision statement. The Council Plan consists of 3 priorities:-

- To make Chesterfield a thriving borough
- To improve the quality of life for local people
- To provide value for money services

The Council's values reflect the way the council wants to achieve its vision, these are:-

Customer focused: delivering great customer service, meeting customer needs

Can do: striving to make a difference by adopting a positive attitude

One council, one team: proud of what we do, working together for the greater good

Honesty and respect: embracing diversity and treating everyone fairly

The Council Plan is cascaded down through, managers, meetings, service plans, team plans, budgets, the medium term financial plan and employee development reviews. This flow ensures that resources are utilised for the achievement of the Council Plan and vision.

The Council works with a number of partnerships to deliver its aims. Where the Council has entered into partnership arrangements it seeks to ensure that these promote the Council's vision of its purpose and intended outcomes for citizens and service users and that they are subject to appropriate governance and performance management arrangements. Two of the Council's significant partnerships are Sheffield City Region Combined Authority and the Local Enterprise Partnership for Derbyshire and Nottinghamshire for which there are inter authority agreements in place.

In June 2017 Building Control left the Council to become part of a limited company (The Derbyshire Building Control Partnership). There are a series of legal agreements that support the new company including a shareholder agreement and a service level agreement. A separate Board has been set up to govern the new company.

The best use of resources and value for money are obtained by scrutiny reports and reviews, reviewing service performance, benchmarking and monitoring budgets.

Chesterfield Borough Council has a formal constitution in place that sets out how it operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. In addition, the constitution sets out the roles and responsibilities of Members and Senior Managers.

The Cabinet is the part of the authority which is responsible for most day to day decisions. The overview and scrutiny committees support the work of the Council by scrutinising the decisions made. The Standards and Audit Committee are responsible for maintaining and promoting high standards of conduct and for considering the effectiveness of the Council's risk management arrangements and the control environment. The Committee also reviews reports from internal and external audit and other inspection agencies and seeks assurance that action has been taken where necessary.

Formal Codes of Conduct are in place for Members and Officers and are available on the intranet and form part of induction procedures. To further enhance these high standards the Council has in place a comments, complaints and compliments procedure, a Customer Services Charter, an Anti- Fraud, Bribery and Corruption policy and a Confidential Reporting (whistle blowing) Code.

In order to ensure compliance with relevant laws and regulations, internal policies and procedures Chesterfield Borough Council has a comprehensive induction package and provides training for staff and Members on a regular basis. The Constitution is underpinned by legal references. Training needs are identified through Member and employee performance and development reviews and continuous professional development is encouraged. In 2017 the Council introduced an online learning tool that records all training and includes a comprehensive bank of training modules. Policies are readily available on the intranet to view.

Chesterfield Borough Council has a risk management strategy, a risk management group and risk is considered as part of all Cabinet reports. The corporate risk register and service risk registers are regularly reviewed and appropriate training is provided.

The Council has a suitably qualified Business Transformation section and a Business Transformation Strategy.

The Chief Executive is the designated Head of Paid Service, with the statutory responsibility for the overall review of the Council's staffing and operation. The Chief Executive is monitored for performance in the delivery of political priorities which are in turn monitored and measured across all staff. The Council's Monitoring Officer attends Corporate Management team meetings and is suitably qualified.

The Chief Financial Officer is professionally qualified and experienced to undertake their roles and responsibilities and is supported by an experienced and appropriately qualified finance team. The Chief Financial Officer is a key member of the Corporate Management team and leads and directs a finance function that is fit for purpose. The Chief Financial Officer ensures compliance with S151 requirements. The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government.

Internal Audit is provided on a Consortium basis for Bolsover District Council, North East Derbyshire District Council and Chesterfield Borough Council. The Internal Audit function operates in accordance with the Public Sector Internal Audit Standards (PSIAS) and conforms to the requirements of the CIPFA statement on the Role of the Head of Internal Audit. The Internal Audit Consortium Manager is a senior manager, professionally qualified and leads an appropriately resourced and experienced audit team. The external review of internal audit confirmed that the team is compliant with the PSIAS.

Chesterfield Borough Council has a variety of means of communicating with all sections of the community and stakeholders including the Community Engagement Strategy, the Council's website, the publication of "Your Chesterfield" three times a year and an annual Community Engagement Programme.

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Internal Audit Consortium Manager's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The processes that have been applied in maintaining and reviewing the effectiveness of the governance framework include:

- Internal audit reviews of systems and procedures in accordance with the agreed internal audit plan
- Annual review of the Council's Code of Corporate Governance
- Assessment against the key elements of the governance framework
- Monitoring Officer reviews and monitors the operation of the Council's Constitution
- The Chief Executive, Executive Directors and Corporate Management Team monitoring the risks and the associated controls assigned to them

- The Chief Financial Officer (the Director of Finance and Resources) providing the Council and the Management team, with financial reports and financial advice covering the whole range of Council Activities
- Reviews by external agencies such as the Council's external auditor
- A review of the system of assurances/internal controls
- The Council's Standards and Audit Committee receives reports on the work of internal audit, including the annual report by the Internal Audit Consortium manager. The annual review of the Local Code of Corporate Governance is reported to both the Standards and Audit Committee and the Council's Cabinet.
- The Cabinet receives and considers reports on the outcome of reviews by the external auditor and other review agencies.

It can be demonstrated that on the whole the Council's governance arrangements support the council's corporate plan by the sheer volume of achievements. A few of these are:-

- Getting the green light from the Planning Inspectorate for our local plan: Core strategy which sets out how land across the borough will be used over the next 20 years. This includes a number of major regeneration schemes, such as Chesterfield Waterside and Peak Resort.
- Five of our parks have been awarded the prestigious Green Flag award.
- Chesterfield's recycling rate as a Borough has improved from 41% to 45%.
- We are investing 3.5m in a new Saltergate Car Park
- We have invested in the Pomegranate Theatre and the Winding Wheel, upgrading our cultural venues to bring larger and more varied shows to Chesterfield and attracting £495,000 in Arts Council England funding.
- Our £3m Parkside Housing Scheme provides high quality homes for older people and new affordable housing has recently been completed at Chesterfield Waterside.
- We have agreed local labour clauses on all eligible major developments.
- The Northern Gateway site development is underway including the redevelopment of the former co-op building. This will include a hotel, bars and restaurants and a gym.
- We invested £29 million in 2017/18 in our council house stock to ensure that it continues to meet the decent homes standard and deliver affordable warmth for our tenants.
- Delivering or supporting over 90 events per annum in parks and open spaces across the Borough.
- We are undertaking more commercial trading to secure a profit to re- invest in council services.

The Internal Audit Consortium Manager is responsible for the delivery of an annual audit opinion that can be used by the council to inform its governance system. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

In relation to the main financial systems I am satisfied that reasonable assurance can be provided in respect of the governance, risk management and control arrangements.

However, during 2017/18 10 limited assurance reports have been issued and 2 inadequate assurance reports. In these areas the governance, risk management and control arrangements were not operating effectively, some key risks were not well documented and there was a risk that the systems objectives would not be achieved.

Where weaknesses have been identified internal audit has worked with management to agree appropriate corrective actions and a timescale for improvement.

A Review of 2016/17 Governance Issues

A mid - year review of progress against the 2016/17 AGS action plan was undertaken by the Corporate Management team and was reported to the Standards and Audit Committee. The action plan identified 10 areas for improvement, of these 4 of the identified actions are completed, 1 is no longer applicable, 3 are behind the targeted timescale and 2 have revised timescales in place. Where necessary the uncompleted areas for improvement and associated actions have been carried forward to the 2017/18 AGS action plan.

Significant governance issues

Whilst there are many areas of the Governance Framework that are operating satisfactorily, the work of internal audit and discussions with the Corporate Management Team has identified that there are a number of areas where action can be taken to improve the governance arrangements in place. The significant issues are summarised below and Appendix D of this report presents the full action plan.

The following significant governance issues have been identified:

No.	Issue Identified	Action to address
1.	Budget – There is a budget gap in relation to the general fund as identified in the Medium Term Financial Plan 2018/19 – 2022/23.	<p>Need to continue to closely manage the Medium Term Financial Plan to ensure that the Council remains of sound financial standing, and to support decisions on the alignment of budgets to enable delivery of the Council’s corporate plan for the period 2018-2023.</p> <p>This will be achieved through the established mechanisms for financial planning and reporting:</p> <ul style="list-style-type: none"> • Finance and Performance Board • Corporate Cabinet and CMT workshops • Monthly budget monitoring reports to service managers • Quarterly budget monitoring reports to the Council, Cabinet and Scrutiny Forum • Quarterly Assistant Director meetings with finance on budgets • Regular dialogue with the trade unions <p>Further savings and income generation plans are ongoing.</p>
2.	Data Protection – the Council is working towards an action plan which will ensure that we are able to comply with the new European Data Protection Regulations that come in to force from May 2018.	<p>A detailed action plan has been produced and additional resource provided to achieve it. Good progress has been made, including development of revised GDPR compliant policies, updated privacy notices, achievement of Cyber Security + and PSN accreditation. Progress against the action plan will be closely monitored and key milestones in this plan are currently on track. Information risk areas have been identified relating to ICT and these have been incorporated into the approved ICT Improvement Programme.</p>

3.	<p>Information Technology - the Council's IT infrastructure is in need of investment to ensure that it is fit for purpose and can successfully support the Council's transformation projects.</p>	<p>The Council has completed an external review of its ICT service and a three year improvement plan has been developed and approved by Council. This is being implemented from 2018.</p>
4	<p>Non Housing Property Repairs – The previous 10 year plan has not been adhered to, monitored for completion or adjusted as a result of condition surveys. The first dozen assets have now been assessed for condition and costed for capital and revenue works required. This issue has been carried forward from 2015/16.</p>	<p>The Council's partner will undertake further work to assess the condition of the remaining Council's assets and build the work required in to capital and revenue plans. The next tranche of assets has been identified.</p>
5	<p>Health and Safety - There has been a lack of capacity to ensure that corporate health and safety arrangements are fit for purpose. This has been compounded by the departure of the Health and Wellbeing manager and continuing asbestos work. This issue has been carried forward from 2016/17.</p>	<p>A new Health and Wellbeing Manager has been appointed from April 18. A revised staffing structure and an action plan with resource requirements has been developed in consultation with health and safety representatives. This has been approved by the Health and Safety Committee. Progress against the action plan will be monitored by the Corporate Leadership team and the Standards and Audit Committee.</p>
6	<p>Procurement – A recent audit identified that there is no approved strategy in place and that there has been no training for officers. The procurement process requires improvement from start to finish, from identifying the procurement need through to the letting and management of the contract so the Council can demonstrate that the tendering and letting of contracts is in line with EU Regulations, Financial Regulations and Standing Orders. The Council should also take steps to</p>	<p>Training will be provided to officers as a matter of urgency. The Council will compile a comprehensive contracts register and publish this on its website. The draft procurement strategy will be approved. The Council also intends to undertake a full review of its means of procuring in 2018/19.</p>

	comply with the government transparency code (details of contracts over £5,000 to be published).	
7	Workforce Capacity – Ongoing budget challenges and service demands mean that the Council will continue to need to manage workforce capacity.	Workforce capacity needs to be managed and reviewed regularly.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Cabinet and the Standards and Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas identified for improvement form part of the 2017/18 Annual Governance Statement action plan which is detailed at Appendix D.

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:

H Bowen
Chief Executive

Councillor T Gilby
Leader of Chesterfield Borough
Council

Date:

On behalf of Chesterfield Borough

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CHESTERFIELD BOROUGH COUNCIL – ANNUAL GOVERNANCE STATEMENT 2017/18 ACTION PLAN

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
1 Page 141	Budget – There are future budget gaps in relation to the general fund and HRA as identified in the Medium Term Financial Plan 2018/19 – 2022/23.	<p>Need to continue to closely manage the Medium Term Financial Plan to ensure that the Council remains of sound financial standing, and to support decisions on the alignment of budgets to enable delivery of the Council's corporate plan for the period 2015-2019. This will be achieved through the established mechanisms for financial planning and reporting:-</p> <ul style="list-style-type: none"> • Finance and Performance Board • Corporate Cabinet and CMT meetings • Monthly budget monitoring reports to Service Managers • Quarterly budget monitoring reports to the Council, Cabinet and Scrutiny Forum • Quarterly finance meetings with AD budget holders <p>Further savings and income generation plans are in the process of being developed.</p>	On going	Members / CE / Executive Directors/ Director of Finance and Resources	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
2	Data Protection – work is required to ensure that the Council will be able to comply with the new European Data Protection Regulations that come in to force from May 2018.	Progress against the GDPR action plan will be closely monitored and corrective action taken if necessary.	End May 2018 and ongoing via ICT Improvement Programme	Assistant Director - Customers, Commissioning and Change	H	√	
3	Information Technology - The Council's IT infrastructure is in need of investment to ensure that it is fit for purpose and can successfully support the Council's transformation projects.	The Council needs to monitor progress against the approved 3 year improvement plan.	Plan over 3 year period	Assistant Director - Customers, Commissioning and Change	H	√	
Page 142	Non Housing Property Repairs – The previous 10 year plan has not been adhered to, monitored for completion or adjusted as a result of condition surveys. The first dozen assets have now been assessed for condition and costed for capital and revenue works required. This issue has been carried forward from 2015/16.	The Council's partner will undertake further work to assess the condition of the remaining Council's assets and build the work required in to capital and revenue plans. The next tranche of assets has been identified for review.	March 2019	Director of Finance and Resources	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
5	Health and Safety - There has been a lack of corporate capacity to ensure that health and safety arrangements are fit for purpose. This has been compounded by the departure of the Health and Wellbeing Manager and continuing asbestos work. This issue has been carried forward from 2016/17.	A new Health and Wellbeing Manager has been appointed from April 2018. A revised staffing structure and an action plan with resource requirements have been developed in consultation with health and safety representatives. Progress against the action plan will be monitored by the Corporate Leadership team and the Standards and Audit Committee.	Regular monitoring of plan	Assistant Director - Health and Wellbeing/ Executive Director / Standards and Audit Committee.	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
6	Procurement – A recent audit identified that there is no approved strategy in place and there has been no training for officers. The procurement process requires improvement from start to finish, from identifying the procurement need through to the letting and management of the contract so the council can demonstrate that the tendering and letting of contracts is in line with EU Regulations, Financial Regulations and Standing Orders. The Council should also take steps to comply with the government transparency code (details of contracts over £5,000 to be published).	Training will be provided to key officers as a matter of urgency. The Council will compile a comprehensive contracts register and publish this on its website. The procurement Strategy will be approved and publicised. The Council intends to undertake a full review of its means of procuring in 2018/19.	June 18 June 18 Dec 18 March 19	Assistant Director - Customers, Commissioning and Change	H	√	
7	Workforce Capacity – Ongoing budget challenges and service demands mean that the Council will continue to need to manage workforce capacity.	Workforce capacity needs to be managed and reviewed regularly.	Ongoing	Corporate Management Team	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
8	The Performance Monitoring framework requires embedding	Work will concentrate on improving the thread from the Council Plan to service plans. This relies on Service Plans being produced. More measurable PI's will be introduced and reported upon.	March 19	Assistant Director - Policy and Communications	M		√
9	Monitoring arrangements for partnerships require review and update.	The Partnership Strategy requires review. This activity has been paused due to the complexity and pace of change in partnership arrangements at the moment. Horizon scanning activity has been taking place with the political and officer leadership teams to identify next steps.	March 19	Assistant Director - Policy and Communications	M		√

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For publication

Review of Unreasonable Complaints Policy

Meeting:	Standards and Audit committee
Date:	23 May 2018
Portfolio:	Cabinet Member for Governance
Report by:	Local Government And Regulatory Law Manager

For publication

1.0 Purpose of report

- 1.1 To report to members on the use and application of the Council's Policy and Procedure on the Management of Unreasonable Complaints or Customers ("the Policy").

2.0 Recommendations

- 2.1 That the report is noted.
- 2.2 That the Policy be modified by the changes proposed at paragraph 5.3 and 5.4.

3.0 Background

- 3.1 On 4th October 2016 the Cabinet Member for Governance approved the Council's policy for dealing with unreasonable complainants or complaints. This replaced an earlier policy.

- 3.2 A copy of the Policy is attached at Appendix A. The Policy provides guidelines for application, taking account of current Ombudsman advice and relevant legal cases. The policy sets out a clear and proportionate procedure for warning the complainant and imposing restrictions, with provision for review and right of appeal.
- 3.3 It is a requirement of the Policy that it be reviewed annually by this Committee. This report is the first review of the Policy, following consideration of the first application of the policy to a complaint/complainant.

4.0 Application of the Policy

- 4.1 Since the adoption of the Policy the Council has continued to manage complaints received from the public through the Complaints, Comments and Compliments Policy. During this time there have been only a very small number of complaints which may have warranted consideration of whether or not to apply the Policy.
- 4.2 The Policy has been applied only once since adoption, in March 2017, as a result of persistent and unreasonable complaints to the Housing Service by a complainant. The application of the policy can be taken as a thorough test of the Policy as the matter was ultimately taken by the complainant to the Ombudsman (as anticipated by procedures in the Policy).
- 4.3 Prior to the Ombudsman stage there was also a review of the application of the Policy by one of the Executive Directors (again, part of the Policy), who upheld the decision to apply the policy.
- 4.4 In this case, a disability related reasonable adjustment was agreed. This was in the form of financial assistance to engage an experienced advocate. The advocate represented the

complainant in their appeals to the Executive Director and Ombudsman. This was consistent with Ombudsman advice and in line with the Equality Act 2010.

- 4.5 The Ombudsman upheld the Council's application of the policy in a decision issued in January 2018. The decision also considered other aspects of the complaint, over which the Council's response was also upheld. On the application of the Policy the Ombudsman said:

It is not for the Ombudsman to decide whether Mr X's behaviour was unreasonable or not. Rather the Ombudsman examines whether there was fault in the process leading to a council's decision.

Here the Council's officers and agents had contact from Mr X which they considered unreasonable. Mr X's contact with officers meets the description of unreasonable conduct set out in its policy. Having identified the reasons for invoking the policy the housing manager then sought advice from a senior manager before using it. I do not find fault in the process leading to the decision.

It may be that some of Mr X's concern [about the council's agent] is justified. Mr X also refers to other complaints stretching back to 2013 as giving him grounds to contact officers persistently. But Mr X cannot pursue a matter in an inappropriate way because a complaint is justified.

It is important to also note that the Council acted because of the impact Mr X's conduct had on its staff and agents. That impact, when considered from the point of view of the recipients, was negative.

- 4.6 A copy of a summary of the Ombudsman's decision was subsequently published on the Local Government and Social

Care Ombudsman website (where all decisions on complaints are published).

5.0 Review of the Policy

- 5.1 The Policy has proved to be an effective way of managing a persistent/unreasonable complaint. It has achieved its intended outcome by reducing inappropriate contact with services and has protected staff.
- 5.2 While use of the policy is fairly slow to apply and cumbersome in view of the various appeal stages, these stages help ensure that the complainants' rights are protected and proper consideration is given before the policy is applied. It is important to ensure that any application of the Policy follows these procedures in order to help ensure a complaint to the Ombudsman will be less likely to succeed on procedural grounds.
- 5.3 In the case where the Policy was applied it was apparent that the behaviour of the complainant was so serious and causing distress to staff that a warning stage was inappropriate. In that case warnings had already been given about the behaviour and possible consequences. It is suggested that the Policy be amended at paragraph 3.3 and 3.4 to proceed straight to applying a restriction without a warning stage in the event of serious and distressing behaviour, but only after discussion with senior management.
- 5.4 In the case where the policy was applied, the time set for review of the restriction applied under the policy coincided with consideration of the matter by the Ombudsman. This made it impracticable to carry out a review as the whole issue of the application of the Policy was being considered by an independent body. Accordingly it is suggested that the Policy be clarified that there might be circumstances (such as an appeal

to the Ombudsman) where it might not be practicable to carry out a review at the time that has been set.

6.0 Recommendations

6.1 That the report is noted.

6.2 That the Policy be modified by the changes proposed at paragraph 5.3 and 5.4.

7.0 Reason for recommendations

7.1 To enable completion of the review of the Policy by the Committee and to ensure an effective Policy in the light of experience from its application.

Decision information

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

Document information

Report author	Contact number/email
Gerard Rogers - Monitoring Officer	01246 345310 gerard.rogers@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Appendix A	Unreasonable Complaints Policy

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POLICY AND PROCEDURE ON THE MANAGEMENT OF UNREASONABLE COMPLAINTS OR CUSTOMERS

1.0 Introduction

- 1.1 This policy and procedure is aimed at providing a framework:
- (i) to help identify what might be classed as an unreasonable complaint or customer;
 - (ii) to manage the Council's limited resources to help ensure that customers have access to our limited resources in a way which is proportionate to the issues being raised and the need for other customers to be able to access these limited resources;
 - (iii) to set out openly how we will deal with unreasonable complaints or customers, what steps we will take if action is required and who can authorise these actions
 - (iv) which we can provide to customers where this policy and procedure is applied so that the customer can understand the process. This may help to manage the customer's expectations and behaviour.
- 1.2 The council aims to deal with complaints and customers in a way which is fair and impartial. On occasion customers may behave unreasonably or make unreasonable complaints. Unreasonable customers or complaints can hinder the proper consideration of their cases and may delay consideration of other customers' cases. Unreasonable complaints or customers can have significant resource implications for the Council.
- 1.3 Customers may sometimes act out of character at times of anxiety or distress and/or their conduct may relate to a disability. Reasonable allowances should be made for such factors. Ultimately, however, the council does not expect its staff to suffer behaviour or complaints by customers which is/are unreasonable in content, tone or persistence. In appropriate circumstances the Council will take proportionate action to protect the wellbeing of its staff, members and contractors and also the integrity of its processes and limited resources.
- 1.4 If the Council considers that any unreasonable conduct or complaint is or might be related to a disability, or because the customer's first language is not English, the Policy and Communications Manager should be consulted for advice and assistance to manage the issues arising under this policy and procedure where appropriate.
- 1.5 When considering this policy and procedure the Council will also have regard to other relevant policies and procedures operated by the Council which may include (but not be limited to):

- Chesterfield Borough Council Access statement (<https://www.chesterfield.gov.uk/living-here/people-and-families/equality-and-diversity/access-statements.aspx>)
- Equality, Diversity and Social Inclusion Policy (<https://www.chesterfield.gov.uk/living-here/people-and-families/equality-and-diversity/equality-diversity-and-social-inclusion-policy.aspx>)
- Aggressive customer behaviour – guidance to employees (<https://aspire.interactgo.com/Interact/Pages/Content/Document.aspx?id=1670>)

When this policy is engaged it shall take precedence over these policies in the event of any uncertainty as to different processes to be applied.

- 1.6 Where this policy and procedure is engaged the Council may take action to restrict conduct of the customer and access to Council services . Examples of the sort of restrictions which may be imposed are given in section 3.6 below. In the most serious cases the Council may bypass this policy and procedure and inform the police and/or take legal action with or without notice to the individual(s) concerned.
- 1.7 Where restrictions are applied and/or legal action taken the Council will take steps to inform those who it reasonably determines ought to be aware of the steps / action taken and the outcome. The steps taken will depend on the facts of each case.
- 1.8 It is to be emphasised that this document is a framework. It is not intended to be prescriptive since it is recognised that in those rare situations where customers behave unreasonably or make unreasonable complaints such that this policy and procedure is or might be engaged, each case will need to be considered on its own facts.
- 1.9 This policy and procedure has been drafted with regard to the Local Government Ombudsman’s current guidance note on managing unreasonable complainant behaviour¹. It will be reviewed annually and such reviews will take account of any updated guidance from the Local Government Ombudsman.
- 1.10 When the Council is faced with what it regards as vexatious Freedom of Information Act [FOIA] requests it will have regard to relevant guidance from the Information Commissioner’s Office [ICO]² and its own internal policies and procedures when determining such matters, noting that a request may be

¹ <http://www.lgo.org.uk/information-centre/reports/advice-and-guidance/guidance-notes/guidance-on-managing-unreasonable-complainant-behaviour>

² <https://ico.org.uk/media/for-organisations/documents/1198/dealing-with-vexatious-requests.pdf>

refused if it is vexatious³ but that in that situation the test as to whether the request is vexatious applies to the request itself and not to the individual who makes it. Accordingly the engagement of this policy and procedure cannot of itself remove the obligations of the Council under the FOIA. Similarly with a subject access request the Council will have regard to such guidance as is available from the ICO⁴ as well as its own policies and procedures for dealing with such matters.

- 1.11 It is anticipated that this policy will be invoked in only a very small number of cases. During the period between adoption in December 2013 and August 2016 the previous version of this policy was not invoked at all.

2.0 Unreasonable Complaints or Customers

- 2.1 There is no single definition of an unreasonable complaint or customer. Each case must be judged on its merits.
- 2.2 An unreasonable customer may pursue a justified complaint or concern but in an inappropriate way. Alternatively they may pursue a complaint which has no substance or which has previously been addressed in which case the complaint might be judged to be unreasonable. The concept of 'unreasonableness' is typically identified by a customer conducting themselves in such a manner as to hinder the Council's consideration of their own or other people's complaints and by the customer conducting themselves in such a manner as to place a disproportionate demand on the Council's resources. The conduct of an unreasonable customer may cause a disproportionate or unjustified level of disruption, irritation, stress or distress to Council staff or the Council's contractors / partners.
- 2.3 Whilst each case will ultimately turn on its own facts this policy and procedure may be engaged by one or two isolated unreasonable incidents or a build-up of incidents or behaviour over time which amount to unreasonable conduct. The focus is whether in all of the circumstances the complaint and/or customer are unreasonable. Examples of the sort of customer complaint and/or conduct which might be covered by this policy and procedure include (but are not limited to):
- Refusing to specify the grounds of a complaint despite offers of help
 - Making a complaint or complaints which have no proper grounds
 - Unreasonably frequent or lengthy contacts and/or repetitive information

³ The term 'vexatious' involves the manifestly unjustified, inappropriate or improper use of procedures. All circumstances must be considered but there will typically be a disproportionate or unjustified level of disruption, irritation or distress. When considering whether a request is 'vexatious' the focus should be on the impact of the request(s) rather than the behaviour of the requester

⁴ <https://ico.org.uk/for-organisations/guide-to-data-protection/principle-6-rights/subject-access-request/> See section *What about repeated or unreasonable requests?*

- Pursuing a complaint only to annoy or disrupt or for reasons that are not identified or are not obvious
- Refusing to co-operate with the complaints investigation process but still wanting the complaint to be resolved
- Making unjustified complaints about staff who are dealing with issues and trying to have them replaced
- Refusing to accept that issues are not within the remit of the Council's Complaints, Comments and Compliments Procedure despite having been provided with information about the procedure's scope
- Insisting on the complaint being dealt with in ways which are incompatible with the Complaints, Comments and Compliments procedure or with good practice (for example insisting that there should be no written record of a complaint or aspects of a complaint)
- Electronically recording meetings and conversations without the prior knowledge and consent of the other person involved
- Where a complainant pursues a disproportionately large number of complaints with the Council or raises a multitude of unimportant questions
- Where a complainant pursues a 'scatter gun' approach of approaching multiple external organisations with parallel complaints about the Council
- Unreasonably repeating complaints which have previously been addressed (and as part of that perhaps seeking to add minor or immaterial additions to earlier complaints after the event as a basis for seeking to re-open investigations)
- Obstructing reasonable access for council staff (or agents) to tenanted properties or insisting upon unreasonable conditions for access
- Persistently seeking to complain about matters that occurred outside of the one year time period usually allowed for the investigation of complaints without good reason
- Acting towards staff or Council contractors or partners in a manner which causes or is likely to cause them nuisance or annoyance or harassment or distress
- Persisting in conduct which the customer has been told is unreasonable

3.0 Managing Contact

- 3.1 The Council operates a policy and procedure which has proved effective when addressing Complaints, Comments and Compliments. This policy and procedure for the management of unreasonable complaints or customers will be used only where the Council's day to day policies are unable to resolve the issues arising and where the complaint and/or the customer are deemed to be unreasonable.
- 3.2 If an officer of the Council considers that a complaint and/or customer are unreasonable they should discuss their concerns, and the reasons for their concerns, with a member of the Corporate Management Team or Senior Leadership Team.
- 3.3 **Warning:** A Service Manager, a member of the Corporate Management Team or Senior Leadership Team may determine that the complaint and/or customer

are unreasonable and that it is proportionate to issue a warning to the customer under this policy and procedure. The officer who determines that a warning shall be issued will write to the customer concerned within 3 working days of that determination setting out:

- (i) why their complaint or conduct has been considered unreasonable
- (ii) that this policy and procedure has been invoked
- (iii) that a warning is being given to them under paragraph 3.3 of this policy and procedure
- (iv) what the customer is being asked to do to address the concerns raised
- (v) a request for the customer to consider the letter and amend their complaint or conduct (as appropriate)
- (vi) the actions which may be taken by the Council if the concerns raised are not addressed adequately (this will include informing the customer of the power of the Council to impose a restriction or restrictions on contact with the Council, the fact that any restriction(s) may be applied for a specified time period and how any restriction(s) might enable any continuing complaint or information request to be managed within the complaints policy or such other policy as is relevant)
- (vii) the right of the customer to appeal against the decision to invoke this policy and issue a warning (with reference to paragraphs 3.11 - 3.16 of this policy and procedure)
- (viii) an opportunity for the customer to write to the author of the letter to respond to the warning if he / she has proposals to address the Council's concerns and avoid further escalation
- (ix) suggestions on how the customer might obtain independent legal or other advice
- (x) details of the customers right to complain to the Local Government Ombudsman or Housing Ombudsman about the engagement of this policy and procedure and/or any determinations made pursuant to it

The customer should be sent a copy of this policy and procedure at this stage.

- 3.4 **Apply an appropriate restriction:** If, notwithstanding a warning, the unreasonable complaint(s) persist(s) and/or the customer continues to be unreasonable then the officer of the Council who issued the formal warning (or another officer of the Council being of equal seniority or more senior to that officer) will determine whether a restriction or restrictions ought to be applied and, if so, the details of the restriction(s) (including their duration and the period of time after which the restriction(s) may be reviewed).
- 3.5 The customer will be notified in writing of any determination to apply a restriction or restrictions. A decision letter applying a restriction or restrictions will be written by the officer who has made the determinations set out in paragraph 3.4 above. The decision letter should contain:
- (i) the date of the warning
 - (ii) a summary of the concerns raised previously and the previous steps required of the complainant to address the concerns

- (iii) the determination that the concerns have not been addressed adequately or at all and the reason(s) supporting this determination
- (iv) the restriction(s) imposed on the customer's contact with the council (which will be proportionate and aimed at addressing the customer's unreasonable complaint(s) and/or conduct and removing ongoing or future prejudice to the Council and/or its staff and/or contractors)
- (v) the period of time the restriction(s) is/are being put in place for
- (vi) the period of time before the restriction(s) will be reviewed (this is typically 6 months but will depend on the facts of the case)
- (vii) the customer's right of appeal against the determination (pursuant to paragraphs 3.11 - 3.16 of this policy and procedure)
- (viii) suggestions on how the customer might obtain independent legal or other advice
- (ix) details of the customers right to complain to the Local Government Ombudsman or Housing Ombudsman about the engagement of this policy and procedure and/or any determinations made pursuant to it

The letter should also enclose a further copy of this policy and procedure.

3.6 Any restrictions which may be applied by the Council (under paragraphs 3.4 and 3.5 of this policy and procedure) will be determined on consideration of the facts of the individual case at the time but they may include one or more of the following:

- Placing limits on the number and duration of contacts with staff
- Restricting telephone calls to specified days and limited times
- Limiting the customer to one method of contact (e.g. letter or email)
- Requiring the customer to communicate with one named member of staff
- Requiring any personal contacts to take place in the presence of a witness and in a suitable location
- Managing contacts with the assistance of an independent advocate
- Refusing to register and process further complaints save for new matters which are considered by the Council to be appropriate for investigation
- Stating that future correspondence will be read by a designated officer and placed on the file but not acknowledged unless it contains material new information
- Ending correspondence on particular issues and referring the matter to the Ombudsman where appropriate

This list is not exhaustive since each case must be considered on its facts.

3.7 **Reviews:** When the time comes for the restriction(s) to be reviewed the review shall be conducted by the officer who applied the restriction(s) or by another officer who is of equal or greater seniority to the officer who applied the restriction(s).

3.8 The outcome of a review may be that the restriction(s) shall remain in force, be varied or be discharged. The officer who has made the determination on review should write to the customer with the decision on review within three working days of making the decision.

- 3.9 Where the review results in the restriction(s) being discharged the customer should be informed of this within the timescale set out at paragraph 3.8 of this policy and procedure.
- 3.10 Where the outcome of the review is that the restriction(s) remain in place following a review (whether in the form originally determined or in some varied form) then a decision letter should be sent within the timescale set out at paragraph 3.8 of this policy and procedure. The decision letter should contain:
- (i) the date of the imposition of the original restriction or restrictions and a copy of that decision letter
 - (ii) a summary of the decision on review and key reasons for the decision
 - (iii) the period of time before the restriction(s) will next be reviewed
 - (iv) the customer's right of appeal against the decision (pursuant to paragraphs 3.11 - 3.16 of this policy and procedure)
 - (v) suggestions on how the customer might obtain independent legal or other advice
 - (vi) details of the customer's right to complain to the Local Government Ombudsman or Housing Ombudsman about the decision

The letter should also enclose a further copy of this policy and procedure.

- 3.11 **Right to Appeal:** Subject to the time limits set out in paragraph 3.12 of this policy and procedure the customer has a right of appeal to the Council against:

- (i) the decision to invoke this policy and issue a warning (including the determination sent to the customer under paragraph 3.3 of this policy and procedure);
- (ii) the decision to apply any restriction(s) and/or the decision as to the duration of the restriction(s) and/or the decision as to the period of time after which the restriction(s) may be reviewed (including the determination sent to the customer under paragraph 3.5 of this policy and procedure); and
- (iii) the decision to keep a restriction or restrictions in place following review (whether in their original form or a varied form) including the determination sent to the customer under paragraph 3.10 of this policy and procedure.

The customer may also make a complaint to the Local Government and/or Housing Ombudsman (as appropriate) at any time.

- 3.12 Any request to appeal to the Council must be made in writing and must be received by the Council's Monitoring Officer within 21 calendar days of the date of the decision being appealed. For the purpose of calculating the deadline for receipt of an appeal the date of the decision being appealed will be taken to be two working days after the date of the decision letter.

- 3.13 A request for an appeal made within time shall be considered and determined by an officer of the Council who has had no previous involvement with the case and who is more senior than the officer whose decision is being appealed. Where there is no officer in the Council who is able to determine the appeal the Monitoring Officer may appoint a suitably qualified or experienced senior officer from another authority or a solicitor/barrister to determine the appeal. Where an officer of another authority is appointed to determine an appeal they shall be more senior than the officer whose decision is being appealed.
- 3.14 The decision on appeal should ordinarily be sent to the customer within 21 days of receipt of the appeal by the Council. An appeal is by way of review of the earlier decision.
- 3.15 A decision letter on appeal should contain:
- (i) the date of receipt of the appeal
 - (ii) a summary of the decision on appeal and key reasons for the decision
 - (iii) any practical implications arising from the decision on appeal (e.g. if a restriction is retained in principle but varied then what that means for the customer and when the next review of the varied restriction will be)
 - (iv) a statement that there is no further right of appeal to the Council against this decision
 - (v) suggestions on how the customer might obtain independent legal or other advice
 - (vi) details of the customers right to complain to the Local Government Ombudsman or Housing Ombudsman about the decision.

The letter should also enclose a further copy of this policy and procedure.

- 3.16 A decision on appeal is a final decision by the Council on those matters contained within the decision. There is no second appeal from a decision on appeal to the Council. The decision letter on appeal will signpost the customer to the Local Government Ombudsman or Housing Ombudsman (as appropriate) should they be dissatisfied at this stage.
- 3.17 **Where a customer ignores the restrictions applied:** If the issue(s) of unreasonableness persist(s) after the imposition of a restriction or restrictions then the officer who applied the restriction(s) or an officer more senior than the officer who applied the restrictions (and in any event an officer of at least Executive Director level) may make the decision to impose further restrictions e.g. terminating further contact with the customer on current issues and/or ending any ongoing investigations which are underway. In such a case the customer will be informed in writing of this decision and the reasons for it. There will be no right of appeal to the Council against such a decision. The customer will instead be signposted to the Local Government Ombudsman and/or Housing Ombudsman (as appropriate) should they wish to make a complaint. In a serious case the Council may bypass this policy and procedure and make a report to the police and/or take legal action with or without notice to the customer(s) concerned.

- 3.18 Where further restrictions are applied and/or legal action is taken the Council will take steps to inform those who it reasonably determines ought to be aware of the steps / action taken and the outcome. The steps taken will depend on the facts of each case.
- 3.19 **New Matters:** Where a customer who is subject to any restriction(s) raises a new matter following the imposition of the restriction(s) the Council will consider whether the new matter has merit and ought to be considered further. The Council will inform the customer whether the new matter will be considered and, if so, how the restrictions in force will apply (if at all) to the new matter. Where the Council declines to consider a new matter the customer will be informed in writing and signposted to the Local Government Ombudsman and/or Housing Ombudsman as appropriate should they wish to complain further.
- 3.20 **Where a breakdown in communication occurs:** Very occasionally relations between a council and a customer might break down completely while a complaint is under investigation such that there is little prospect of achieving a satisfactory outcome. In such cases there may be nothing to gain from following through all stages of an organisation's complaints procedure. In such exceptional circumstances the Ombudsman may be prepared to consider a complaint before the Council's own procedures have been exhausted. The Council may seek advice from the Ombudsman and/or request the Ombudsman to consider the matter if it considers that such a situation has arisen. Where the Council does so it will inform the customer in writing so that the customer may express his or her views to the Council and/or Ombudsman if they wish to do so.

4.0 Recording and Reporting use of this policy

- 4.1 Records relating to the application of this policy and procedure will be kept by the Customers, Commissioning and Change Manager and shared with appropriate senior managers and as necessary within the Council. These records should include:
- details of requests to invoke this policy and procedure which are not supported by the relevant senior manager
 - the name and address of each customer where this policy and procedure has been invoked
 - the number of warnings which have been issued
 - what restriction(s) is / are in force and for what period
 - the number of determinations which have been appealed and the outcome of those appeals
 - the number of reviews carried out and the outcome of those reviews
 - whether legal action was taken and, if so, details of the action taken and the outcome(s)
 - who within the Council was advised of any restrictions

- all correspondence relating to this policy and procedure sent between customer(s) and the Council (and any relevant third party e.g. Local Government Ombudsman or Housing Ombudsman)
- the success of the policy in those cases where it has been invoked
- the number of Ombudsman referrals and the outcome of each referral

4.2 An annual report will be provided to the Standards & Audit Committee with information about the application of and success of this policy and procedure during the year and any recommendations for amendment