

BOROUGH OF CHESTERFIELD

You are summoned to attend a Meeting of the **Council** of the **Borough of Chesterfield** to be held in the **Council Chamber, Town Hall, Rose Hill, Chesterfield S40 1LP** on **Wednesday, 10 October 2018** at **5.00 pm** for the purpose of transacting the following business:-

1. To approve as a correct record the Minutes of the meeting of the Council held on 18 July, 2018 (Pages 5 - 10)

2. Mayor's Communications

3. Apologies for Absence

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

5. Public Questions to the Council

To receive questions from members of the public in accordance with Standing Order No. 12.

6. Petitions to Council

To receive petitions submitted under Standing Order No. 13

7. Questions to the Leader

To receive questions submitted to the Leader under Standing Order No.14

8. Election to The Borough Council - 4 October, 2018

To be tabled at the meeting.

9. Changes to Committee Appointments 2018/19

To be tabled at the meeting.

10. Risk Management Strategy and Annual Review (Pages 11 - 42)

11. Treasury Management Annual Report 2017/18 and Monitoring Report 2018/19 (Pages 43 - 60)

12. The Constitution (Pages 61 - 74)

13. Local Government Act 1972 - Exclusion of the Public

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

14. Appointment of Independent Persons for Standards Matters (Pages 75 - 90)

15. Local Government Act 1972 - Re-admission of the Public

To move “That after the consideration of an item containing exempt information the public be re-admitted to the meeting”.

16. Minutes of Committee Meetings (Pages 91 - 92)

To receive for information the Minutes of the following meetings:

- Appeals and Regulatory Committee
- Employment and General Committee
- Licensing Committee
- Planning Committee
- Standards and Audit Committee

17. To receive the Minutes of the meeting of the Cabinet of 17 July, 2018 (Pages 93 - 100)

18. To receive the Minutes of the meetings of the Joint Cabinet and Employment and General Committee of 17 July and 11 September, 2018 (Pages 101 - 106)

19. To receive and adopt the Minutes of the meeting of the Overview and Performance Scrutiny Forum of 3 July, 2018 (Pages 107 - 112)


20. To receive and adopt the Minutes of the meeting of the Community, Customer and Organisational Scrutiny Committee of 17 July, 2018 (Pages 113 - 118)

21. To receive and adopt the Minutes of the meeting of the Enterprise and Wellbeing Scrutiny Committee of 24 July, 2018 (Pages 119 - 124)

22. Questions under Standing Order No. 19

To receive questions from Councillors in accordance with Standing Order No.19.

By order of the Council,

A handwritten signature in black ink, appearing to read "Huw Jones". The signature is written in a cursive style with a prominent loop at the end.

Chief Executive

Chief Executive's Unit,
Town Hall,
Chesterfield

2 October 2018

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COUNCIL

Wednesday, 18th July, 2018

Present:-

Councillor Brittain (The Mayor)

Councillors	Bagley	Councillors	Flood
	P Barr		P Gilby
	Bellamy		T Gilby
	Bexton		Hill
	Bingham		Huckle
	Blank		J Innes
	Borrell		P Innes
	Brady		Ludlow
	Brunt		Miles
	Burrows		A Murphy
	Catt		T Murphy
	Caulfield		Niblock
	D Collins		Parsons
	L Collins		Perkins
	Davenport		Rayner
	Derbyshire		Redihough
	Dickinson		Sarvent
	A Diouf		Serjeant
	V Diouf		Simmons
	Elliott		Slack
	Falconer		Wall

6 MINUTES

RESOLVED –

That the Minutes of the meetings of the Council held on 25 April and 9 May, 2018 be approved as a correct record and be signed by the Chair.

7 MAYOR'S COMMUNICATIONS

The Mayor referred with sadness to the recent death of Councillor Keith Brown who had been a councillor for Moor ward since 2011. Keith had

also served on the Council between 1983 and 1991, representing St Helen's ward. Members stood for a minute's silence in his honour.

The Mayor referred to the following recent Mayoral engagements:

- A memorial service at Duckmanton Methodist Church to mark the 80th Anniversary of the Markham Pit Disaster of 1938.
- Unveiling the new War Poetry installation under the covered walkway at the entrance to the Vicar Lane car park.
- An art exhibition at Spire Junior School, including presenting a national award to one of their teachers, Mrs Heather Cooper.
- Taking part in the 10k Sparkle Walk for Ashgate Hospicecare.
- A thanksgiving service at the Parish Church to celebrate the 70th Anniversary of the NHS.

The Mayor also referred to the next two events in support of his Appeal – a Pizza and Prosecco evening on 18 August and Breakfast at Tiffany's on 16 September.

8 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J Barr, Callan, Dyke and Hollingworth.

9 DECLARATIONS OF MEMBERS' AND OFFICERS' INTERESTS RELATING TO ITEMS ON THE AGENDA.

No declarations of interest were received.

10 PUBLIC QUESTIONS TO THE COUNCIL

No questions had been received.

11 PETITIONS TO COUNCIL

No petitions had been received.

12 QUESTIONS TO THE LEADER

No questions were received.

13 GENERAL FUND BUDGET OUTTURN REPORT 2017/18

Pursuant to Cabinet Minute No. 7 (2018/19) the Director of Finance and Resources submitted a report on the General Fund Revenue and Capital Outturns for 2017/18. The report provided details of significant variations from the revised estimates for 2017/18 and endorsed the recommendations of the 15 May, 2018 Cabinet meeting.

RESOLVED –

That the report on the General Fund Revenue and Capital Outturns for 2017/18 be noted.

14 MONTH 2 BUDGET MONITORING 2018/19 & MEDIUM TERM FINANCIAL PLAN

Pursuant to Cabinet Minute No.28 (2018/19) the Director of Finance and Resources submitted a report outlining the budget position at the end of the second month, covering the General Fund Revenue account, the General Fund Capital Programme and the Housing Revenue account.

RESOLVED –

1. That the Council's financial performance in the first two months of the financial year 2018/19, as set out in section 4 of the officer's report, be noted.
2. That the new medium term forecast, as detailed in section 4 of the officer's report, be noted.
3. That the proposed changes to the medium term forecast, as outlined in section 4 of the officer's report, be approved.
4. That the proposed use of reserves and the new applications for funding, as set out in section 5 and paragraph 5.2 of the officer's report respectively, be approved.

5. That the updated capital programme, as set out in section 7 of the officer's report, be noted.
6. That the additions to the capital programme detailed in paragraph 7.2 of the officer's report, be approved.
7. That the proposed financing arrangements for the capital programme, as outlined in paragraph 7.3 of the officer's report, be approved.
8. That the position on Housing Revenue Account budgets, included in section 8 of the officer's report, be noted.

15 COMMUNICATIONS AND ENGAGEMENT STRATEGY 2018-2023

Pursuant to Cabinet Minute No. 18 (2018/19), the Communications and Marketing Manager submitted a report seeking approval of the Council's proposed Communications and Engagement Strategy for 2018 to 2023, which was a combination of the three previous independent strategies covering external communications, internal communications and community engagement.

RESOLVED –

That the Communications and Engagement Strategy for 2018/19 through 2022/23 be approved and adopted with immediate effect.

16 ANNUAL REPORT OF THE STANDARDS AND AUDIT COMMITTEE 2017/18

Pursuant to Standards and Audit Committee Minute No. 4 (2018/19), the Chair of the Standards and Audit Committee, the Internal Audit Consortium Manager and the Local Government and Regulatory Law Manager submitted the inaugural Annual Report of the Standards and Audit Committee, attached at Appendix 1 to the officer's report, which summarised the work carried out by the Committee during the financial year 2017/18.

RESOLVED –

That the Annual Report of the Standards and Audit Committee for 2017/18 be approved.

17 SCRUTINY ANNUAL REPORT 2017/18

Pursuant to Overview and Performance Scrutiny Forum Minute No. 4 (2018/19) the Senior Democratic and Scrutiny Officer submitted the Annual Scrutiny Report detailing the work of the Overview and Scrutiny Committees during 2017/18 and providing an outline of overview and scrutiny work programme plans for 2018/19.

RESOLVED –

That the Scrutiny Annual Report for 2017/18 be approved.

18 MINUTES OF COMMITTEE MEETINGS**RESOLVED -**

That the Minutes of the following Committees be noted:

Appeals and Regulatory Committee of 11, 18 and 25 April, 2, 9, 16, 23 and 30 May, 6, 13, 20 and 27 June 2018;

Employment and General Committee of 14 May, 2018;

Planning Committee of 23 April, 14 May and 25 June, 2018;

Standards and Audit Committee of 4 April, 23 May and 6 June, 2018.

19 MINUTES OF THE CABINET**RESOLVED –**

That the Minutes of the meetings of Cabinet of 24 April, 15 May and 26 June, 2018 be noted.

20 MINUTES OF THE JOINT CABINET AND EMPLOYMENT AND GENERAL COMMITTEE**RESOLVED –**

That the Minutes of the meetings of the Joint Cabinet and Employment and General Committee of 10 April and 15 May, 2018 be noted.

21 MINUTES OF THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM

RESOLVED –

That the Minutes of the meeting of the Overview and Performance Scrutiny Forum of 8 May, 2018 be approved.

22 MINUTES OF THE COMMUNITY, CUSTOMER AND ORGANISATIONAL SCRUTINY COMMITTEE

RESOLVED –

That the Minutes of the meetings of the Community, Customer and Organisational Scrutiny Committee of 20 March and 22 May, 2018 be approved.

23 MINUTES OF THE ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE

RESOLVED –

That the Minutes of the meetings of the Enterprise and Wellbeing Scrutiny Committee of 17 April and 5 June, 2018 be approved.

24 QUESTIONS UNDER STANDING ORDER NO. 19

No questions had been submitted.

For publication

Risk Management Strategy and Annual Review

Meeting:	Council
Date:	10 October, 2018
Cabinet Portfolio	Governance
Report by:	Director of Finance & Resources

For publication

1.0 Purpose of report

- 1.1 To provide a report on the Risk Management developments during 2017/18 and to update the Risk Management Policy, Strategy and the Corporate Risk Registers for 2018/19.

2.0 Recommendation

- 2.1 That the Risk Management Policy, Strategy and the Corporate Risk Register for 2018/19 be approved.

3.0 Background

- 3.1 The Risk Management Strategy requires an annual review to be reported to the Council at the end of the financial year and the Corporate Risk Register at the start of the year.

- 3.2 The Standards and Audit Committee is required to consider the effectiveness of the Council's risk management arrangements.
- 3.3 This report and the risk management strategy were considered by the Standards and Audit Committee at its meeting on 25 July, 2018 where it resolved to note the progress made on developing the Council's approach to risk management during 2017/18 and to recommend to full Council approval of the Risk Management Policy, Strategy and the Corporate Risk Register for 2018/19.

4.0 Annual Review 2017/18

- 4.1 Extensive work was carried out early in 2017 to complete 'fact finding' documentation supplied by the Councils insurance Broker JLT for use in an insurance tender for all policies
- 4.2 The decision was made early in the process to renew the Councils commercial property policy for only 6 months from the 1st April 2017, enabling us to tender for a combined property cover.
- 4.3 The subsequent tender evaluation was completed for the numerous insurance lots and insurance providers appointed across all policies which became active on the 1st October 2017.
- 4.4 Contracts were awarded for 7 years with an option for the Council to cancel the contract at the end of either year 3 and 5.
- 4.5 The tender process enabled the Council to:-
- Achieve an annual savings of £187k per annum

- Maintain existing levels of cover / excesses and in some areas obtain better coverage e.g. additional perils such as 'escape of water' for municipal buildings
- Appoint insurance companies who are well established in the local government market (Aspen and Zurich Municipal)

5.0 Risk Management Policy and Strategy

5.1 The Policy and Strategy documents are designed to clarify the corporate and operational elements and to further embed Risk Management within the organisation. The documents for 2018/19 are included in Appendix A.

6.0 Corporate Risk Register (CRR)

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

6.2 The content of the CRR had been reviewed and updated for 2018/19 via the Risk Management Group. Many of the corporate risks will be a permanent feature within the CRR whilst others, which relate to one-off type projects, will appear only for a limited period. The CRR Summary for 2018/19 is shown in Appendix B and the detailed Corporate Risk Register is shown in Appendix C.

6.3 The challenge for 2018/19 will be to implement the further actions highlighted or any other actions subsequently developed to bring the risk ratings to the 'target' level which reflects the Council's risk appetite i.e. the level of risk it is prepared to accept.

7.0 Risks and Uncertainties

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

Description of Risk
CR1- Having a Sustainable Financial Plan - the ability to deliver priority services with the resources available.
CR4 - Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.
CR8a - Data protection - to ensure that we are protecting data in accordance with legislation and best practice including the GDPR and the UK Data Protection Act 2018.
CR8b - Cyber security - to ensure that we are protecting our internet-connected systems, including hardware, software and data, from cyberattacks.
CR12 - The provision of Social Housing - ensuring that the Council is able to support delivery of social housing and that there is a sustainable business plan for the Housing Revenue Account.

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

8.0 Financial Implications

- 8.1 The Council transfers funds during the year to maintain a £5k balance on the Risk Management Reserve which is managed by the Corporate Risk Management Group. The movements on the reserve during 2017/18 were as follows:

Description	£
Balance b/fwd April 2017	4,331
Add contribution for the year	2,149
<u>Less expenditure/commitments:</u>	
Risk Management Training – ZM	(1480)
Balance c/fwd at 31 st March 2018	5,000

8.2 The Council's insurance contract with Zurich included an allowance of £5k in 2017/18 and £2.5k for 2018/19 which must be used for risk management services provided by the company. The allowance was used in 2017/18, and will be used again in 2018/19, to help develop the corporate risk management arrangements and assist in reducing areas with high claims history.

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

9.0 Equalities Consideration

9.1 None arising from the contents of this report.

10.0 Recommendation

10.1 That the Risk Management Policy, Strategy and the Corporate Risk Register for 2018/19 be approved.

11.0 Reason for Recommendation

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

Decision information

Key decision number	824
Wards affected	All
Links to Council Plan priorities	All

Document information

Report author	Contact number/email
Kevin Hanlon	Ext. 5451
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	Risk Management Policy and Strategy
Appendix B	Corporate Risk Register Summary
Appendix C	Corporate Risk Register (Detail)

Chesterfield Borough Council

Risk Management Strategy

Version:	January 2018
Ratified By:	Corporate Risk Management Group
Date Ratified	TBC
Name of Executive Lead	Director of Finance and Resources
Date Issued	July 2018
Review date:	January 2019

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Risk Management Statement

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

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

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

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

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

COUNCILLOR BLANK

Cabinet Member for Governance

Risk Management Strategy

1. Introduction

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

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

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

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

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

1.1 Purpose and objectives of the Strategy

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

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

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

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

1.2 The Scope of Risk Management

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

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

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

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

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

1.3 Risk Management Definitions

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

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

1.4 What is risk management?

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

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

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

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

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

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

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

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

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

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

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

1.6 Where does risk management fit?

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

RISK MANAGEMENT POLICY & STRATEGY

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

RISK MANAGEMENT POLICY & STRATEGY

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

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

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

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

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

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

2. Risk Management Organisational Structure

2.1 Reporting structure

The reporting structure for risk management is summarised below:



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

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

3. Roles and Responsibilities

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

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

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

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

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

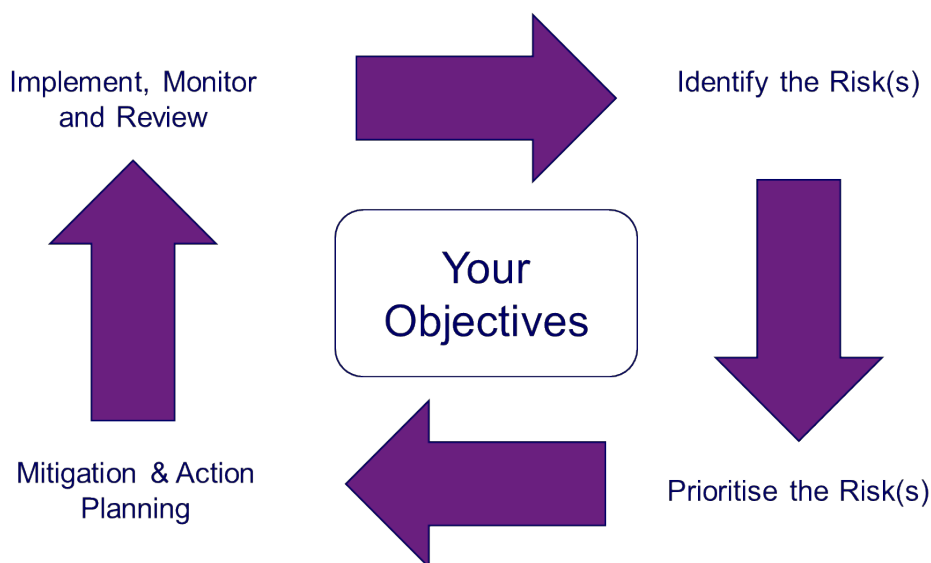
RISK MANAGEMENT POLICY & STRATEGY

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

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

4. Risk Management Process

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



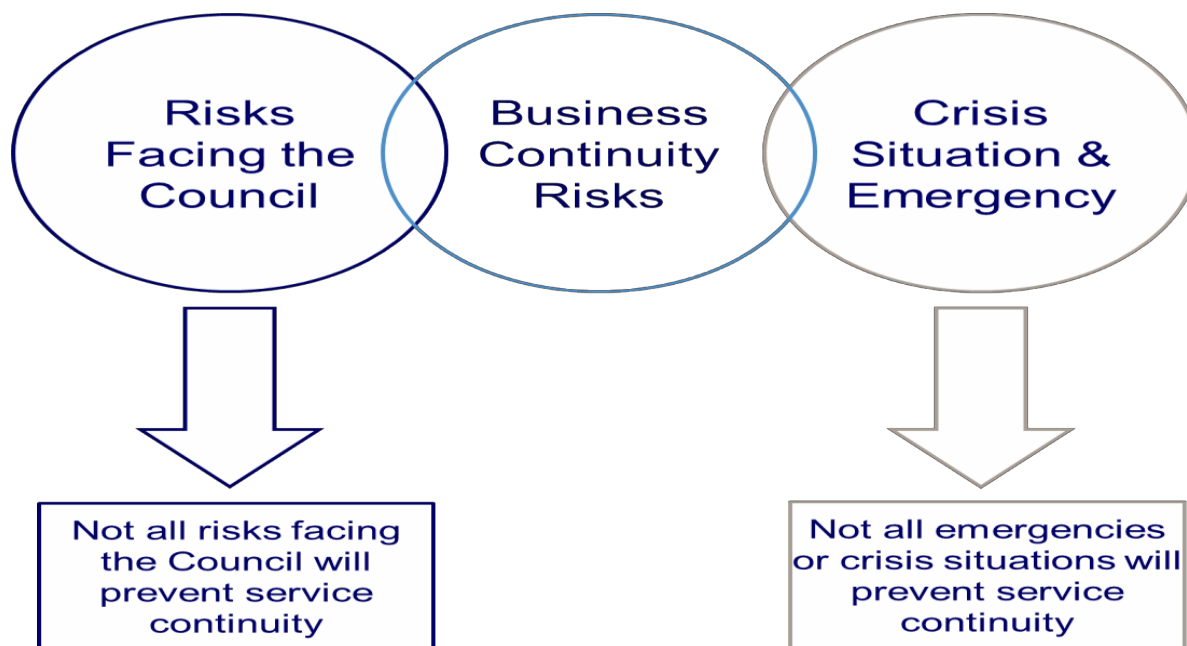
Having identified a risk there are four basic choices about how to deal with it – the 4T's:

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

5. Links to other Processes

Risk management, emergency planning and business continuity

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



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

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

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

6. Communication

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

7. Training

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

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

8. Monitoring of Risk

The Council will monitor risk in the following ways:

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

9 Conclusion

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

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

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



APPENDIX A -RISK MANAGEMENT FRAMEWORK

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

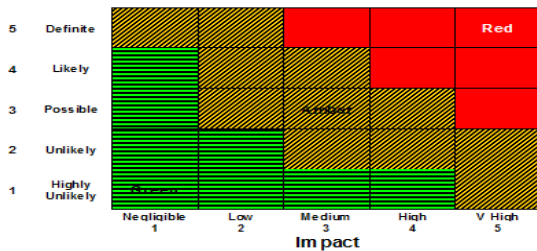


APPENDIX B – RISK MATRIX AND REGISTER

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

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

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

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

APPENDIX C: GLOSSARY

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

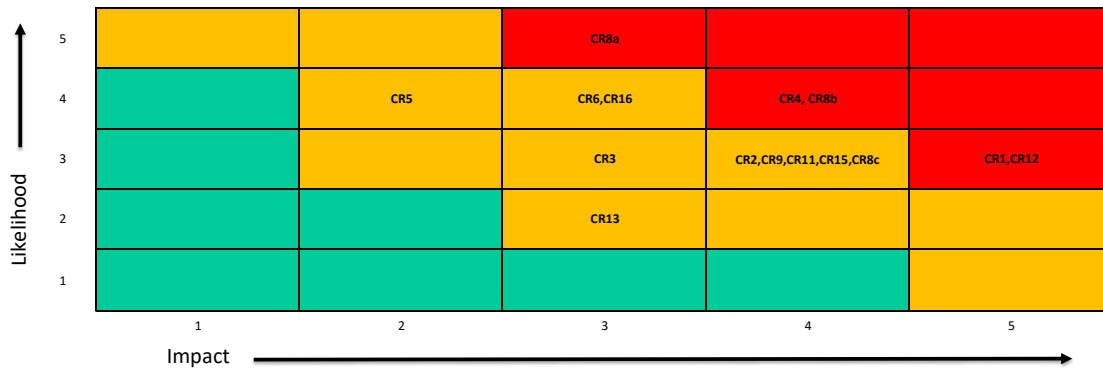
APPENDIX D – CORPORATE RISK MANAGEMENT GROUP – MEMBERSHIP

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

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Corporate Risk Register Summary



Risk Reference		Risk Rating (Maximum Score = 25)		
		Start of Year	Current	Target
CR1	Having a Sustainable General Fund Financial Plan - the ability to deliver priority services with the resources available.	15	15	12
CR2	Transformation / Change Management - managing change effectively to deliver the required transformational changes and savings.	12	12	8
CR3	Workforce - to ensure that we have the right skills and capacity to deliver the Council's priorities.	9	9	6
CR4	Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.	16	16	12
CR5	Emergency Planning & Business Continuity - to ensure that we are able to respond effectively to unexpected events, minimising any damage caused and keeping services running.	8	8	8
CR6	Protecting the Public & Staff (Health & Safety) - to ensure that we have systems in place to reduce the risk of accidents occurring and their severity.	9	12	12
CR7	Welfare Reform	N/A	N/A	N/A
CR8a	Data protection - to ensure that we are protecting data in accordance with legislation and best practice including the GDPR and the UK Data Protection Act 2018.	8	15	12
CR8b	Cyber security - to ensure that we are protecting our internet-connected systems, including hardware, software and data, from cyberattacks.	16	16	12
CR8c	Records management - to ensure that our records are stored correctly, easily retrieved and are disposed of correctly at the end of their life cycle	16	12	12
CR9	Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money.	12	12	12
CR10	Local and National Elections	N/A	N/A	N/A
CR11	Key Partnerships (e.g. PPP, Veolia) - to ensure that partnerships are used to support the delivery of the Council's priorities and that they are delivered to the specified standard.	12	12	12
CR12	The provision of Social Housing - ensuring that the Council is able to support delivery of social housing and that there is a sustainable business plan for the Housing Revenue Account.	15	15	12
CR13	Safeguarding Children and Vulnerable Adults - the ability to fulfill our moral and legal obligations to ensure a duty of care for children and vulnerable adults across our services and facilities.	12	8	8
CR14	Combined Authority	N/A	N/A	N/A
CR15	Non-Housing Property Maintenance Programme & Funding.	12	12	4
CR16	Brexit	12	12	9

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Corporate Risk Register

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REF	RISK DESCRIPTION (HEADLINE)	RISK CAUSE	RISK EFFECT	EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	TARGET RISK RATING			TARGET COMPLETION DATE(S)	RISK LEAD
					LIKELIHOOD	IMPACT	RISK RATING (LxI)		LIKELIHOOD	IMPACT	RISK RATING (LxI)		
CR1	Having a Sustainable General Fund Financial Plan - the ability to deliver priority services with the resources available.	Changes in: - RSG, Business Rates retention & Growth, Council Tax limitation & collection rates, New Homes Bonus, etc. - Cost pressures e.g. pensions, pay, inflation, interest rates etc. - Other unforeseen events - Capital schemes under budget	- Re-assessment of the range & scope of services currently provided & the Corporate Plan priorities. - Short-term use of reserves - Worst case - financial failure - Critical external inspection / audit reports - Damage to reputation - Public expectations / reaction - Loss of member confidence - Loss of staff morale - Impact on Asset Management Plan - Significant cuts to services	- 5 year MTFP produced - Prudent assumptions re income levels and collection rates - Budget monitoring & reporting (to Finance Board, Scutiny & Cabinet) - Great Place: Great Service Programme approved - Asset Management Plan - Budget Challenge sessions - Expenditure and vacancy control - Treasury Management Plan	3	5	15	- Horizon scanning to identify future pressures & opportunities (on-going) - Assess implications of Local Gov't Finance review - NHB, retained business rates - Rigorous budget monitoring to identify variances early & implement corrective action (quarterly) - Regularly update the assumptions in the 5 year MTFP & model the options (quarterly) - Delivering the savings targets included in the budget and identify further significant savings or income generation - CMT / Exec Members Budget Group to identify & implement further budget efficiency required to eliminate forecast deficits (on going) - Development of trading opportunities to increase income - Assess the business rates devolution deal and retain	3	4	12	Short / Med term - balanced budget in Feb each year Med / Long term - self sufficient by 2020	DoF&R Supported by SLT
CR2	Transformation / Change Management - managing change effectively to deliver the required transformational changes and savings.	- Failure to develop & implement the required projects due to capacity issues, skills gaps, resistance to change, poor project management etc. - Competitor responses and other challenges to commercial activities.	- Loss of expertise and/or experienced staff - Scarce resources not used effectively - Budget shortfalls - Delivery timelines not adhered to - Increase in financial costs - Legal, financial and reputational implications if commercial activities not structured and managed	- Transformation strategy produced - Project academy - Increased focus on commercialisation - Great Place: Great Service programme - Staff and Union consultation - Political leadership & TU's meetings - £150k budget approved in 2016/17 to finance additional resources required to implement the savings targets	3	4	12	- Delivery of the current savings targets - CMT to prioritise resources onto cash releasing projects - Identify and secure other savings required to bridge any forecast deficit - Post implementation reviews - Training of a wider group of staff in transformation techniques - Improving communications and engagement with staff - 'Solid Foundations' work in GPGS - Develop the Target Operating Model (TOM)	2	4	8	March 2018	Business Transformation Manager Supported by SLT
CR3	Workforce - to ensure that we have the right skills and capacity to deliver the Council's priorities.	- Loss of key people within the organisation e.g. loss of corporate memory and key skills - Lack of training - due to for example budgetary pressures - No effective succession planning - Difficulties in recruitment and retention of key skills / staff - Lack of mid to long term planning	- Inability to deliver services to the desired standard or projects effectively - Performance suffers due to low morale & job fears - Increased sickness (stress related) - Impact on staff health & well being - Financial e.g. severance costs arrangements	- Workforce Strategy produced - PDR process / competency frameworks - Communications - Leader / CEO staff briefings, Borough Bulletin etc. - Internal Comms Strategy - SLT / CMT leadership	3	3	9	- Workforce strategy development - Identify opportunities for staff development & succession planning (PDR process) - Review of staffing as per service plans and restructuring - Voluntary redundancy / early retirement scheme (on-going)	3	2	6	Ongoing	Service Managers
CR4	Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.	- Lack of resources and expertise to develop the infrastructure and manage the technology life cycle - Ad-hoc development and flawed project documentation - Reliance on Partner expertise and resources	- Inefficient & expensive services - Poor service outcomes - Additional Project delays	- ICT Strategy written & governance structure in place - Invest-to-Save budgets approved. - Strategies incorporated into GP:SS	4	4	16	- Resource and implement the ICT strategy and Invest significant financial capital - Enforce new governance - Centralise ICT budgets - Improve project documentation - Rationalise ICT assets	3	4	12	March 2019	PPP Client Officer Supported by SLT
CR5	Emergency Planning & Business Continuity - to ensure that we are able to respond effectively to unexpected events, minimising any damage caused and keeping services running.	1. Lack of operational monitoring of the ICT infrastructure (automated or manual) 2. Lack of resilience of the ICT infrastructure 3. Lack of comprehensive ICT disaster recovery plan (including tests and linkage to the business continuity plans)	1. Service disruption. 2. Potential loss of personal data leading to enforcement action (either primarily through lack of backup of data or through information security incidents as a result of ad hoc untested business continuity scenarios)	1. Partial monitoring of the ICT infrastructure and incident management by ICT 2. Ability to call on wider Arvato resources in the event of an incident 3. Emergency planning officer, policies and procedures in place for emergency planning and disaster recovery 4. Actual live incidents have contributed to	4	2	8	1. Key infrastructure needs to be monitored effectively. 2. Systems with increased resilience need implementing. 3. Fit for purpose disaster recovery plans and procedures need to be in place.	4	2	8	March 2019	Emergency Planning Officer Service Managers



Corporate Risk Register

REF	RISK DESCRIPTION (HEADLINE)	RISK CAUSE	RISK EFFECT	EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	TARGET RISK RATING			TARGET COMPLETION DATE(S)	RISK LEAD
					LIKELIHOOD	IMPACT	RISK RATING (LxI)		LIKELIHOOD	IMPACT	RISK RATING (LxI)		
CR6	Protecting the Public & Staff (Health & Safety) to ensure that we have systems in place to reduce the risk of accidents occurring and their severity.	<ul style="list-style-type: none"> - Failures to manage the health & safety risk of the Council's undertakings - Lack of training - Budget pressures - Ageing infrastructure 	<ul style="list-style-type: none"> - Death or injury - Damage to property or the environment - Litigation or prosecutions - Financial - claims - Damage to reputation 	<ul style="list-style-type: none"> - Corporate H&S group established - Preparation of Corporate H&S policy - 3 year H&S Improvement Programme agreed - Service level H&S plans - Control of contractors procedures & group established - Transport Code of Practice approved & being implemented - Two external H&S audits - Internal audit methodology developed and agreed - Record training undertaken and monitor refresh dates 	4	3	12	Corporate H&S staff to undertake audits to ensure that: <ol style="list-style-type: none"> a) Policies and procedures are implemented and reviewed regularly; and b) the actions in the improvement programme are implemented c) Further resource H&S Improved on-line training systems 	4	3	12	Ongoing	Business Transformation Manager
CR8a	Data protection - to ensure that we are protecting data in accordance with legislation and best practice including the GDPR and the UK Data Protection Act 2018.	Lack of adequate governance, policy, procedures, technology, training, etc.	<ol style="list-style-type: none"> 1. Distress to data subjects 2. Fraud 3. Monetary penalties 4. Loss of reputation 	<ul style="list-style-type: none"> - Policies - Roles and responsibilities - Information governance meetings - Learning Pool training 	5	3	15	<ol style="list-style-type: none"> 1. Improved formal information governance arrangements (implementing policies, audit actions, service plan, training, etc.) 2. Implementation of Flowz solution 	4	3	12	Ongoing	Information Assurance Officer
CR8b	Cyber security - to ensure that we are protecting our internet-connected systems, including hardware, software and data, from cyberattacks.	<ol style="list-style-type: none"> 1. Obsolete asset (hardware, software, firmware) 2. Unsecure configuration of assets 3. Lack of security controls 	<ol style="list-style-type: none"> 1. Data protection risk effects 2. Denial of service 	<ol style="list-style-type: none"> 1. Controls in place to achieve PSN compliance including Patch management and ITHC remediation work 2. Controls in place to achieve Cyber Essentials PLUS compliance 3. Other controls operated by ICT (leavers process/responding to alerts/monthly checks) 4. Other controls operated by 3rd party (cloud security/managed services) 	4	4	16	<ol style="list-style-type: none"> 1. 2018 IT Health Check remediation plan 2. External internet facing vulnerabilities (Trustwave report) remediation plan 3. GDPR project ICT security risks 4. Information security policy gap analysis 	3	4	12	Ongoing	Information Assurance Officer
CR8c	Records management - to ensure that our records are stored correctly, easily retrieved and are disposed of correctly at the end of their life cycle	<ol style="list-style-type: none"> 1. Lack of a comprehensive records management framework and policy 2. Culture of holding onto paper records 3. Lack of records management technology (e.g. document scanning) 	<ol style="list-style-type: none"> 1. Physical space needs for storing paper or electronic records 2. Risk of paper information being lost or stolen 3. Workload requirements of responding to information requests (foi/eir/sar) where lots of information is stored 	<ol style="list-style-type: none"> 1. A number of rooms used for storing paper records 2. A number of network shares in use for storing electronic records 3. A number of document management systems in use 	4	3	12		4	3	12	Ongoing	Information Assurance Officer
CR9	Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money.	Failure to adequately manage Council contracts	<ul style="list-style-type: none"> - Financial impact (valuable funding is used for rectification costs) - Increase in staff resource to defend the challenge - Potential litigation and fines being procured - The Council does not receive value for money - Discouraged providers may not tender for the contract in the future - potentially reducing the portfolio of providers 	<ul style="list-style-type: none"> - Dedicated procurement & legal team of support where necessary on contract management - policies and procedures in place - scheme of delegation and guidance available - staff have been trained in general contractor management - New and specific contractor management training commenced during 2015 - New procurement contract with NHS 	3	4	12	<ul style="list-style-type: none"> - Continue the roll out of the new training on contract management by the Corporate H&S team - Develop a Contracts Register and commence additional procurement training with links to contractor management 	3	4	12	Ongoing	PPP Client Officer
CR11	Key Partnerships (e.g. PPP, Veolia) - to ensure that partnerships are used to support the delivery of the Council's priorities and that they are delivered to the specified standard.	<ul style="list-style-type: none"> - Partnerships not delivered as promised - Breakdown in a key partnership relationship 	<ul style="list-style-type: none"> - Reputation damage - Loss of trust - Service disruption 	<ul style="list-style-type: none"> - Strategic board in place for PPP - Client function and supporting key Pis - Focus on HYR and ICT 	3	4	12	<ul style="list-style-type: none"> - Negotiations taking place with key partners around contract delivery - Begin preparations for the Waste Collection re-tender in 2018 - SLT / CMT to develop relationships with key strategic partners 	3	4	12	Ongoing	CCC Manager Commercial Services Manager



Corporate Risk Register

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REF	RISK DESCRIPTION (HEADLINE)	RISK CAUSE	RISK EFFECT	EXISTING CONTROLS IN PLACE TO MITIGATE THE RISK	CURRENT RISK RATING			FURTHER ACTION REQUIRED	TARGET RISK RATING			TARGET COMPLETION DATE(S)	RISK LEAD
					LIKELIHOOD	IMPACT	RISK RATING (LxI)		LIKELIHOOD	IMPACT	RISK RATING (LxI)		
CR12	The provision of Social Housing - ensuring that the Council is able to support delivery of social housing and that there is a sustainable business plan for the Housing Revenue Account.	<ul style="list-style-type: none"> - Requirement to make an annual payment to Government reflecting the market value of high value housing likely to become vacant during that year and/or sell the most valuable Council housing stock as it becomes vacant. - Government controls on housing rents contrary to those agreed in self-financing statement - Requirement to charge a market or near market rent for households with an income of over £30,000 - Removal of Lifetime Tenancies for new tenants and replaced with a fixed term tenancy of between 2 to 5 years. - Introduction of a cap in the amount of rent that housing benefit will cover relevant to the LHA. 	<ul style="list-style-type: none"> - Reduced resources within the HRA business plan due to the loss of rent income and/or increased rent arrears. - Loss of stock and inability to replace the stock which is sold due to reduced resources. - Increase in Right to Buy sales - Risk of being required to repay retained Right to Buy 1-4-1 receipts to Government - Increased administrative burden in implementing new policies. 	<ul style="list-style-type: none"> - Using the Business Planning system to model the implications of possible scenarios. - Reproofing of work / policies and procedures to achieve tenancy sustainment, deliver new policies 	3	5	15	<ul style="list-style-type: none"> - Refresh the HRA Business Plan - Re-phasing of capital investment - Increased borrowing - Use of working balance - Review the debt repayment policy - Commission a stock conditioning survey - Review of repairs and maintenance standards and lifecycles of building components / asset performance / procurement to achieve efficiencies / revised stock condition survey against these revised standards. 	3	4	12	Ongoing	Housing Mgt Team
CR13	Safeguarding Children and Vulnerable Adults the ability to fulfill our moral and legal obligations to ensure a duty of care for children and vulnerable adults across our services and facilities.	Inadequate policies, procedures, learning and development partnership working to safeguard children and vulnerable adults living in our communities, using our services and to protect the council, its staff (including agency staff), elected members and volunteers	<ul style="list-style-type: none"> - Negative impact on the well-being of children and vulnerable adults - Reputation damage - Public expectations / reaction - Loss of Trust - Loss of Member confidence - Loss of staff morale - Critical external inspection / investigation 	<ul style="list-style-type: none"> - Safeguarding lead roles identified - Safeguarding group established to develop effective response, audit and share best practice - Strong dialogue and engagement with key partners on Derbyshire Safeguarding Board - Policies and procedures are up to date - Learning and development arrangements in place - Annual audit / self assessment - Regular internal audits 	2	4	8	-Maintaining engagement and improvement activity	2	4	8	Ongoing	Exec Director All

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For Publication

TREASURY MANAGEMENT ANNUAL REPORT 2017/18 AND MONITORING REPORT 2018/19

Meeting:	Council
Date:	10 October 2018
Cabinet portfolio:	Deputy Leader
Report by:	Director of Finance and Resources

For publication

1.0 **Purpose of report**

- 1.1 To consider the Annual Treasury Management Report for 2017/18.
- 1.2 To consider the Treasury Management activities for the first five months of 2018/19.

2.0 **Recommendations**

- 2.1 That the **Council** is recommended to:
 - (i) Approve the outturn Prudential Indicators for 2017/18;
 - (ii) Approve the treasury management stewardship report for 2017/18;

- (iii) Note the treasury management position for the first five months of 2018/19.

3.0 **Background**

- 3.1 The Council's Treasury Management Strategy requires the full Council to receive three treasury reports each financial year; the Strategy report before the start of each financial year, an annual report for the previous financial year and a mid-year review for the current year.
- 3.2 The Annual Report for 2017/18 is attached at Annexe 1. The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.
- 3.3 Following the Icelandic banks collapse in 2008 the regulatory framework places a much greater emphasis on the review and scrutiny by Members of treasury management activities. The attached report provides details of the treasury management activities in 2017/18 and confirms compliance with the Council's approved policies.
- 3.4 This report was considered by the Standards and Audit Committee at its meeting on 26 September, 2018, where it resolved that the report and its recommendations be supported.

4.0 **Summary of the Annual Report**

- 4.1 During 2017/18, the Council complied with its legislative and regulatory requirements. The key actual prudential and

treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators	2016/17 Actual £'000	2017/18 Revised £'000	2017/18 Actual £'000
Actual capital expenditure	18,855	23,858	19,631
Capital Financing Requirement:			
- General Fund	13,983	15,141	15,143
- HRA	134,359	132,343	132,343
- Total	148,342	147,484	147,486
External debt	133,245	131,303	131,303
Investments – under 1 year	31,762	42,929	46,360
1 year and above	3,256	-	-
Net borrowing	98,227	88,374	84,943

The increase in investments from 2016/17 is largely due to slippage in both the General Fund and HRA capital programmes, and the receipt of the Sheffield City Region grant of £5.4m towards the Northern Gateway project that was received in March 2018.

- 4.2 Other prudential and treasury indicators are to be found in Annexe 1. The Director of Finance and Resources also confirms that borrowing over the medium term is only undertaken for a capital purpose and the statutory borrowing limit (the authorised limit) was not breached in 2017/18.
- 4.3 The financial year 2017/18 continued the challenging environment of low investment return, however November 2017 saw the first interest rate rise in more than 10 years with the official bank rate rising to 0.50%. There was a large differential between borrowing and investments rates during the year.

Investments – Interest income received for the year was on budget at £225,000. Following a review of investments during the 2017/18 financial year the Council further diversified its

investment portfolio in order to achieve greater security of investments, particularly with deposits with other local authorities. Further information can be found in Annexe 1.

The in-house team managed average balances of £45.2m earning an average rate of return of 0.56%.

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

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

Treasury Management Advisors – Arlingclose continued to provide treasury management advice to the Council throughout 2017/18. Treasury recommendations were incorporated into the 2017/18 Treasury Management Strategy Statement that was approved by Council in February 2017.

5.0 **Mid- Year Review 2018/19**

5.1 Annual Investment Strategy

In accordance with the Cipfa Code and the Council's Investment Strategy, the investment priority is to ensure security and liquidity of capital, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. The Bank Rate was increased by a further 0.25% in August 2018 to 0.75%; however the continuing uncertainty of economic recovery and the geo-political uncertainties prompt a low risk and short term strategy. Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the five months ended 31st August 2018.

5.2 Internally Managed Cash Balance

In the first quarter of the year the interest rates achieved were slightly higher than those assumed when setting the budget (0.66% against 0.58%). The net average internal investment balance has also been higher than the assumptions made in the original budget, which has resulted in net internal investment returns being £4,500 better than forecast for the first quarter of the year.

5.3 Investment rates were increased in August 2018, however the continuing uncertainty on the impact of the UK leaving the European Union means that volatility remains around investment rates. The budget forecast for investment income will be reviewed as part of the revised budget process in the Autumn.

5.4 Borrowing activities in the period:

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

5.5 Compliance with Treasury & Prudential Limits

All treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement and in compliance with the Council's Treasury Management Practices have been maintained.

The main Prudential Indicators relating to borrowing are:

- Authorised Borrowing Limit – the limit for the year was set at £148m, the limit has not been breached.
- Operational Boundary – this was set at £138.3m for the year, again the limit has not been breached.

6.0 **Treasury Management Indicators 2018/19**

Amendments to the 2018/19 General Fund capital programme will be considered by Council in October. Further borrowing may be necessary and this additional borrowing would require an adjustment to the Prudential Indicators (PI's) approved as part of the Treasury Management Strategy Statement in February. The PI's detailed below would need to be amended:-

- General fund Capital Expenditure & Financing
- General Fund Capital Financing Requirement
- Operational Boundary
- Authorised Limit

These amended PI's will be reported to Cabinet as part of the budget monitoring report in the autumn.

7.0 **Recommendations**

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

- (i) Approve the outturn Prudential Indicators for 2017/18;
- (ii) Approve the treasury management stewardship report for 2017/18;
- (iii) Note the treasury management position for the first five months of 2018/19.

8.0 **Reasons for recommendations**

8.1 To comply with the Council's Treasury Management Policy and Practices, the CIPFA Code of Practice on Treasury Management (2017) and the CIPFA Prudential Code for Capital Finance in Local Authorities (2017).

Decision information

Key decision number	100
Wards affected	All
Links to Council Plan priorities	All

Document information

Report author	Contact number/email
Karen Ludditt	01246 345457 Karen.ludditt@chesterfield.gov.uk
Background documents Local Government Act 2003, CIPFA Prudential Code & Guidance, Accountancy Services' final accounts working papers.	
Annexes to the report	
Annexe 1	Annual Treasury Outturn Report 2017/18

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Treasury Management Outturn Report 2017/18

Introduction

The Council has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve a treasury management annual report after the end of each financial year.

This report fulfils the Council's legal obligation to have regard to the CIPFA Code.

The Council's treasury management strategy for 2017/18 was approved at a meeting of the Authority on 23rd February 2017. The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

External Context

Economic commentary 2017-18 was characterised by the push-pull from expectations of tapering of Quantitative Easing (QE) and the potential for increased policy rates in the US and Europe and from geopolitical tensions, which also had an impact.

The UK economy showed signs of slowing with latest estimates showing GDP, helped by an improving global economy, grew by 1.8% in calendar 2017, the same level as in 2016. This was a far better outcome than the majority of forecasts following the EU Referendum in June 2016, but it also reflected the international growth momentum generated by the increasingly buoyant US economy and the re-emergence of the Eurozone economies.

The inflationary impact of rising import prices, a consequence of the fall in sterling associated with the EU referendum result, resulted in year-on-year CPI rising to 3.1% in November before falling back to 2.7% in February 2018. Consumers felt the squeeze as real average earnings growth, i.e. after inflation, turned negative before slowly recovering. The labour market showed resilience as the unemployment rate fell back to 4.3% in January 2018. The inherent weakness in UK business investment was not helped by political uncertainty following the surprise General Election in June and by the lack of clarity on Brexit, the UK and the EU only reaching an agreement in March 2018 on a transition which will now be span Q2 2019 to Q4 2020.

The Bank of England's Monetary Policy Committee (MPC) increased Bank Rate by 0.25% in November 2017. It was significant in that it was the first rate hike in ten years, although in essence the MPC reversed its August 2016 cut following the referendum result. The February *Inflation Report* indicated the MPC was keen to return inflation to the 2% target over a more conventional (18-24 month) horizon with 'gradual' and 'limited' policy tightening. Although in March two MPC members voted to increase policy rates immediately and the MPC itself stopped short of committing itself to the timing of the next increase in rates, the minutes of the meeting suggested that an increase in May 2018 was highly likely.

Financial markets: The increase in Bank Rate resulted in higher money markets rates: 1-month, 3-month and 12-month LIBID rates averaged 0.32%, 0.39% and 0.69% and at 31st March 2018 were 0.43%, 0.72% and 1.12% respectively.

Gilt yields displayed significant volatility over the twelve-month period with the change in sentiment in the Bank of England's outlook for interest rates. The yield on the 5-year gilts which had fallen to 0.35% in mid-June rose to 1.65% by the end of March. 10-year gilt yields also rose from their lows of 0.93% in June to 1.65% by mid-February before falling back to 1.35% at year-end. 20-year gilt yields followed an even more erratic path with lows of 1.62% in June, and highs of 2.03% in February, only to plummet back down to 1.70% by the end of the financial year.

The FTSE 100 had a strong finish to calendar 2017, reaching yet another record high of 7688, before plummeting below 7000 at the beginning of 2018 in the global equity correction and sell-off.

Credit background: The most significant change was the downgrade by Moody's to the UK sovereign rating in September from Aa1 to Aa2 which resulted in subsequent downgrades to sub-sovereign entities including local authorities.

Changes to credit ratings included Moody's downgrade of Standard Chartered Bank's long-term rating to A1 from Aa3 and the placing of UK banks' long-term ratings on review to reflect the impending ring-fencing of retail activity from investment banking (Barclays, HSBC and RBS were on review for downgrade; Lloyds Bank, Bank of Scotland and National Westminster Bank were placed on review for upgrade).

Standard & Poor's (S&P) revised upwards the outlook of various UK banks and building societies to positive or stable and simultaneously affirmed their long and short-term ratings, reflecting the institutions' resilience, progress in meeting regulatory capital requirements and being better positioned to deal with uncertainties and potential turbulence in the run-up to the UK's exit from the EU in March 2019. The agency upgraded Barclays Bank's long-term rating to A from A- after the bank announced its plans for its entities post ring-fencing.

Fitch revised the outlook on Nationwide Building Society to negative and later downgraded the institution's long-term ratings due to its reducing buffer of junior debt. S&P revised the society's outlook from positive to stable.

S&P downgraded Transport for London to AA- from AA following a deterioration in its financial position.

Moody's downgraded Rabobank's long-term rating due to its view on the bank's profitability and the long-term ratings of the major Canadian banks on the expectation of a more challenging operating environment and the ratings of the large Australian banks on its view of the rising risks from their exposure to the Australian housing market and the elevated proportion of lending to residential property investors. S&P also upgraded the long-term rating of ING Bank to A+.

Other developments: In February, Arlingclose advised against lending to Northamptonshire County Council (NCC). NCC issued a section 114 notice in the light of severe financial challenge and the risk that it would not be in a position to deliver a balanced budget.

In March, following Arlingclose's advice, the Authority removed RBS plc and National Westminster Bank from its counterparty list. This did not reflect any change to the creditworthiness of either bank, but a tightening in Arlingclose's recommended minimum credit rating criteria to A- from BBB+ for FY 2018-19. The current long-term ratings of RBS and NatWest do not meet this minimum criterion, although if following ring-fencing NatWest is upgraded, the bank would be reinstated on the Authority's lending list.

Local Authority Regulatory Changes

Revised CIPFA Codes: CIPFA published revised editions of the Treasury Management and Prudential Codes in December 2017. The required changes from the 2011 Code are being incorporated into Treasury Management Strategies and monitoring reports.

The 2017 Prudential Code introduces the requirement for a Capital Strategy which provides a high-level overview of the long-term context of capital expenditure and investment decisions and their associated risks and rewards along with an overview of how risk is managed for future financial sustainability. Where this strategy is produced and approved by full Council, the determination of the Treasury Management Strategy can be delegated to a committee. The Code also expands on the process and governance issues of capital expenditure and investment decisions. The Capital Strategy for Chesterfield Borough Council will be produced along with the Investment Strategy for 2019/20 in February 2019.

In the 2017 Treasury Management Code the definition of 'investments' has been widened to include financial assets as well as non-financial assets held primarily for financial returns such as investment property. These, along with other investments made for non-treasury management purposes such as loans supporting service outcomes and investments in subsidiaries, must be discussed in the Capital Strategy or Investment Strategy. Additional risks of such investments are to be set out clearly and the impact on financial sustainability is to be identified and reported.

MiFID II: As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities were automatically treated as retail clients but could "opt up" to professional client status, providing certain criteria was met which includes having an investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the authority have at least a year's relevant professional experience. In addition, the regulated financial services firms to whom this directive applies have had to assess that that person(s) have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

The Authority has met the conditions to opt up to professional status and has done so in order to maintain its erstwhile MiFID II status prior to January 2018. The Authority will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

Local Context

On 31st March 2018, the Authority had net borrowing of £85m arising from its revenue and capital income and expenditure, a decrease on 2017 of £13.2m. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the

underlying resources available for investment. These factors and the year-on-year change are summarised in table 1 below.

Table 1: Balance Sheet Summary

	31.3.17 Actual £000	2017/18 Movement £000	31.3.18 Actual £000
General Fund CFR	13,983	1,160	15,143
HRA CFR	134,359	(2,016)	132,343
Total	148,342	(856)	147,486
Less: Usable reserves	(39,932)	(11,508)	(51,440)
Less: Working capital	(10,183)	(922)	(11,103)
Net borrowing	98,227	(13,286)	84,943

Net borrowing has decreased due to a fall in the CFR as new capital expenditure was lower than the financing applied including minimum revenue provision; together with an increase in usable reserves, especially due to £2.4m in the HRA working balance and £5.5m in the Capital Grants Unapplied Reserve; and a rise in working capital due to the timing of receipts and payments.

The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low. The treasury management position as at 31st March 2018 and the year-on-year change in show in table 2 below.

Table 2: Treasury Management Summary

	31.3.17 Balance £000	2017/18 Movement £000	31.3.18 Balance £000	31.3.18 Rate %
Long-term borrowing	133,245	1,942	131,303	
Short-term borrowing	0	0	0	
Total borrowing	133,245	1,942	131,303	3.79
Long-term investments	3,256	(3,256)	0	
Short-term investments	15,169	5,069	20,238	
Cash and cash equivalents	16,593	9,529	26,122	
Total investments	35,018	11,342	46,360	0.59
Net borrowing	98,227	13,284	84,943	

The decrease in net borrowing in table 1 has translated into a rise in investment balances. A major contributing factor to this was the receipt of the Sheffield City Region grant towards the Northern Gateway project of £5.4m that was received in March 2018.

Borrowing Activity

At 31st March 2018, the Authority held £131m of loans, a decrease of £2m on the previous year, as part of its strategy for funding previous years' capital programmes. The year-end borrowing position and the year-on-year change in show in table 3 below.

Table 3: Borrowing Position

	31.3.17 Balance £m	2017/18 Movement £m	31.3.18 Balance £m	31.3.18 Rate %	31.3.18 Average maturity years
Public Works Loan Board	133,243	1,941	131,302	3.79	28 years
Local Authorities (short term)	0	0	0		
Other	2	1	1	6.25	<1 year
Total borrowing	133,245	1,942	131,303		

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

In furtherance of these objectives, no new external borrowing was undertaken in 2017/18, while existing loans were allowed to mature without replacement. This strategy enabled the Authority to reduce net borrowing costs and reduce overall treasury risk.

The “cost of carry” analysis performed by the Authority’s treasury management advisor Arlingclose did not indicate any value in borrowing in advance for future years’ planned expenditure and therefore none was taken.

Investment Activity

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2017/18, the Authority’s investment balance ranged between £38m and £56m million due to timing differences between income and expenditure. The year-end investment position and the year-on-year change in show in table 4 below.

Table 4: Investment Position

	31.3.17 Balance £m	2017/18 Movement £m	31.3.18 Balance £m	31.3.18 Rate %	31.3.18 Average maturity years
Banks & building societies (unsecured)	15.5	(3.5)	12.0	0.56	<1 year
Covered bonds (secured)	2.0	(2.0)	0		
Government (incl. local authorities)	3.3	9.9	13.2	0.78	<1 year
Money Market Funds	14.2	6.9	21.1	0.45	<1year
Total investments	35.0	11.3	46.3		

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

In furtherance of these objectives, and given the increasing risk and falling returns from short-term unsecured bank investments, the Authority further diversified into more secure asset classes during 2017/18, particularly deposits with other Local Authorities. As a result investment risk was lowered.

Other Non-Treasury Holdings and Activity

Although not classed as treasury management activities, the 2017 CIPFA Code now requires the Authority to report on investments for policy reasons outside of normal treasury management. This includes service investments for operational and regeneration purposes as well as commercial investments which are made mainly for financial reasons. The Authority holds £46m of directly owned investment property and land. This represents a decrease of £4.2m on the previous year due to revaluation losses. The Authority also holds a £250,000 loan to the Derbyshire Building Control Partnership that commenced in March 2018.

Performance Report

The Authority measures the financial performance of its treasury management activities in terms of its impact on the revenue budget, as shown in table 6 below.

Table 6: Performance

	Actual £000	Budget £000	Over/ under
Total investment income	(224)	(225)	1
Total debt expense	5,169	5,181	(12)
GRAND TOTAL	4,945	4,956	(11)

Compliance Report

The Head of Finance and Resources is pleased to report that all treasury management activities undertaken during 2017/18 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

	2017/18 Maximum	31.3.18 Actual	2017/18 Limit	Complied
Any single organisation	£5m	£5m	£5m	✓
Any group of funds under the same management	£7.5m	£5m	£7.5m	✓
Enhanced Money Market Funds	£15m	£12m	£15m	✓

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 8 below.

Table 8: Debt Limits

	2017/18 Maximum £000	31.3.18 Actual £000	2017/18 Operational Boundary £000	2017/18 Authorised Limit £000	Complied
Borrowing	£133,245	£131,303	£133,250	£143,000	✓

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. Total debt was above the operational boundary for the whole of 2017/18.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed was:

	31.3.18 Actual	2017/18 Limit	Complied
Upper limit on fixed interest rate exposure	53%	100%	✓
Upper limit on variable interest rate exposure	47%	50%	✓

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing were:

	31.3.17 Actual	Upper Limit	Lower Limit	Complied
Under 12 months	1.5%	15%	0%	✓
12 months and within 24 months	1.5%	15%	0%	✓
24 months and within 5 years	5.2%	45%	0%	✓
5 years and within 10 years	10.3%	75%	5%	✓
10 years and above	81.5%	95%	25%	✓

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days: These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

	2017/18	2018/19	2019/20
Actual principal invested > 364 days	0%	0%	0%
Limit on principal invested > 364 days	33%	25%	25%
Complied	✓	✓	✓

For publication

The Constitution

MEETING: Council

DATE: 10TH October 2018

REPORT BY: Monitoring Officer

For publication

1.0 Purpose of report

1.1 To seek confirmation and approval of the current Constitution.

2.0 Recommendations

2.1 That members note updates to the Constitution approved in the past year.

2.2 That the current published version of the Constitution be confirmed and approved.

3.0 Background

3.1 The Constitution is a key document, required by law, which sets out the principal powers, duties and procedures of the Council. It also sets out to whom decision making over the Council's various functions is delegated.

3.2 The current form of Constitution has been in place since the early 2000s and follows a government model proposed at the time. Most council constitutions follow a similar format, though some are now moving

away from it. The constitution is publicly available on the Council's website.

- 3.3 The Constitution needs to be changed and updated from time to time to ensure it reflects current legislation, practices, functions and structures and efficient working of the authority.
- 3.4 Changes to accord with the law are incorporated with periodic reviews of the parts of the constitution and logical changes resulting from restructures usually follow automatically. Minor corrections/changes and clarified/simplified drafting and delegations are also carried out on an ongoing basis by the Monitoring Officer.
- 3.5 While Full Council will consider the main changes, the less significant changes requiring approval are delegated to Standards and Audit Committee. Various consequential amendments may need to be made to other parts of the Constitution, numbering, etc to ensure consistency and to reflect these changes and these are the responsibility of the Monitoring Officer.
- 3.6 This report is for the members to note various recent changes and to confirm the current version of the Constitution.

4.0 Rolling Review

- 4.1 In addition to routine updates and changes, since 2017 the Monitoring Officer has been carrying out a formal rolling review of each part of the constitution. This is to help updates to be proactive rather than reactive. Some Parts have been reviewed and others are underway.

5.0 Schedule of Changes

- 5.1 Since 2011 a schedule of changes is published with the Constitution. The most recent version is in the Appendix to this report.
- 5.2 The published version of the Constitution is on the Council's website at

<https://www.chesterfield.gov.uk/your-council/the-council/the-constitution.aspx>

This is the current version of the Constitution and is the one that should always be referred to.

6.0 Human Resources/people management implications

6.1 The Constitution is a living document and is amended as necessary to enable more efficient working of the authority, reflecting the current structure and best practice. It enables officers and members to operate within a clear framework.

7.0 Legal and data protection implications

7.1 The Council must have a Constitution and this must be updated periodically to reflect current practices and decision making structures: it is a living document. Some changes flow from, eg changes in legislation or decisions made by the Council or restructured posts replacing previous posts. Other changes need formal approval.

7.2 While the main Constitution changes are authorised by full Council, Council has previously delegated authority to Standards and Audit Committee to approve more routine Constitution changes. Approval of the full Constitution periodically by the Council avoids uncertainty.

8.0 Risk management

8.1 This report concerns updates to the Constitution to enable efficient and legal operation of Council decision making, to strengthen internal audit procedures and to introduce more flexible and efficient procedures for signing Council documents.

Description of risk	Impact	Likelihood	Mitigating Action	Resulting Impact	Resulting Likelihood
Constitution not reflect current requirement of the	H	M	Regular review of all parts of the Constitution and appropriate proactive and reactive	L	L

Council			amendment.		
Complaint / challenge as relevant approval of changes not obtained	H	L	Ensure those changes requiring approval are approved by Standards and Audit committee / Full Council as appropriate. Periodic approval of whole Constitution by Full Council	L	L

9.0 **Alternative options and reasons for rejection**

9.1 **Do not confirm the Constitution:** The Constitution is updated from time to time to reflect the current structure and legal functions and appropriate procedures. The Constitution is required by law and must be reviewed on a rolling basis. Confirmation by Full Council ensures certainty that that the published Constitution is approved.

10.0 **Recommendations**

10.1 That members note updates to the Constitution approved in the past year.

10.2 That the current published version of Constitution be confirmed and approved.

11.0 **Reason for recommendations**

11.1 To ensure effective and efficient operation of the Council.

Decision information

Key decision number	<i>All key decisions must be in the Forward Plan at least 28 days in advance. There are constitutional consequences if an</i>
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	<i>item is not in the Forward Plan when it should have been. Contact Democratic Services if in doubt.</i>
Wards affected	All
Links to Council Plan priorities	to provide value for money services

Document information

Report author	Contact number/email
Gerard Rogers	01246 345310 gerard.rogers@chesterfield.gov.uk
Background documents	
The Council's Constitution – on Council website https://www.chesterfield.gov.uk/your-council/the-council/the-constitution.aspx	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	
Appendix A	Schedule of Changes

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Constitution - Document Control

Brief information about updates to each Part of the Constitution
Autumn 2011 to July 2018

Key: *Italics: authority for change (since September 2017). C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction*

Part Page	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017): C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
Part 1	November 2017	23	Change of Service Managers to Assistant Directors		<i>U November 17</i> Gerard Rogers
	November 2017	23	Simplified, updated and improved layout	Reviewed – updated	Gerard Rogers
	May 2017	19	Incorporate link to new Cabinet Member chart and photos		<i>OC May17</i> Gerard Rogers
	September 2013	19	Delete reference to discontinued Community Forums and incorporate reference to Community Assemblies. Incorporate new Executive Member chart and photos		Gerard Rogers
Part 2	December 2012	18	New Standards arrangements		Gerard Rogers
	March 2012	17	New Scrutiny Committees and portfolios		Gerard Rogers
	July 2018	29	Update of compensation limit delegated to officer (page 27)		<i>S&A 25/07/18</i> Gerard Rogers
	July 2018	29	Chief Executive proper officer for Political Restrictions (page 183) – update as result of Localism Act 2011		Gerard Rogers

Part	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017):</i> <i>C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
	July 2018	29	Simplified, updated and improved layout	Reviewed – updated	Gerard Rogers
	November 2017	28	Change of Service Managers to Assistant Directors		<i>U November 17</i> Gerard Rogers
Page 68	September 2017	27	Alternative arrangements for attestation of documents under seal. Clarification of Standards and Audit Committee power to call officers to committee		<i>S&A 20/09/17</i> Gerard Rogers
	November 2016	26	Modified arrangements for attestation of documents under seal		<i>C 12/10/16</i> Gerard Rogers
	February 2015	25	Insert Chief Finance Officer as person authorised under Statements of Truth (accidental omission)		Gerard Rogers
	December 2014	25	New senior management structure Delegation of many constitution amendments to Standards and Audit Committee		Gerard Rogers
	December 2012	22	New Standards arrangements		Gerard Rogers
	February 2012	21	Revised Scrutiny Rules		Gerard Rogers
Part 3	October 2018	38	Update to animal welfare legislation (A270), removal of superseded reference to contract procedures (G490L deleted)		<i>U, OC October 18</i> Gerard Rogers
	April 2018	38	Delegations for Permissions in Principle and Technical Details Consent		<i>S&A 04/04/18</i>
	March 2018	37	Private Sector Housing updates		<i>U, OC March 18</i> Gerard Rogers

Part	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017): C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
Page 69	January 2018	36	Addition of Corporate Enforcement (as approved by Leader) to portfolio of, and amending delegation on appointments to outside bodies to reflect historic practice to, Cabinet Member – Governance. Updating delegations on Revenues and Benefits to reflect current officer structure (Director of Finance and Resources)		<i>U, OC January 18 S&A 07/02/18 Gerard Rogers</i>
	December 2017	35	Change of Service Managers to Assistant Directors		<i>U December 17 Gerard Rogers</i>
	November 2017	34	Revisions to planning delegations		<i>S&A 22/11/17 Gerard Rogers</i>
	September 2017	33	Authority to acquire and dispose of land		<i>S&A 20/09/17 Gerard Rogers</i>
	July 2017	32	Correcting error in TC&VE parking delegation		<i>Gerard Rogers</i>
	June 2017	31	Removing duplicate delegations in Governance portfolio		<i>Gerard Rogers</i>
	June 2017	31	Updating E&G committee member number and exec member - 2015 change not previously incorporated		<i>Gerard Rogers</i>
	May 2017	31	Changes to portfolios		<i>Gerard Rogers</i>
	March 2017	30	Correcting delegation omission for Cabinet Member Economic Growth (EG0000) and adding investigatory powers to Governance portfolio		<i>Gerard Rogers</i>
December 2016	29	Revised Portfolios		<i>Gerard Rogers</i>	
November 2016	28	New financial delegations, GP:GS delegations, and delegations for		<i>C 12/10/16</i>	

Part	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017): C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
Page 70			5 year short term tenancies		Gerard Rogers
	October 2016	27	Revisions to reflect new Corporate Management Team structure		Gerard Rogers
	September 2015	25	Corrections to Portfolios and delegation renumbering		Gerard Rogers
	July 2015	25	Revised Portfolios and Service Managers		Gerard Rogers
	04 September 2013	24	Removal of delegations to discontinued Community Forums and incorporation of references to Community Assemblies. Correction of P140D delegations and updating reference to relevant planning staff in line with structure reviews		Gerard Rogers
	31 July 2013	23	Routine and approved updates to 31 July 2013. Correction of delegation to incorrect Head of Service page 158		Gerard Rogers
	11 October 2012	22	Delegations approved by Full Council (to 10/10/12) Correction of incorrect reference to prejudicial interest on page 13 (10/01/13)		Gerard Rogers
	20 March 2012	21	Health Inequalities delegations moved to correct portfolio (Leisure, Culture and Tourism from Customers and Communities)		Gerard Rogers
	Autumn 2011		New political structure, portfolios and senior officer structure, changes resulting from Corporate Services Contract		Gerard Rogers
Part 4	July 2018	29	Update of delegated financial thresholds		<i>S&A 25/07/18</i> Gerard Rogers
	December 2017	28	Change of Service Managers to Assistant Directors		<i>U December 17</i> Gerard Rogers
	September 2017	27	Amended Financial Procedures (Internal Audit)		<i>S&A 20/09/17</i>

Part	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017):</i> <i>C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
Page 71					Gerard Rogers
	November 2016	26	New Financial Procedures		<i>C 12/10/16</i> Gerard Rogers
	July 2016		Corrections to Contract Procedure Rules		Gerard Rogers
	December 2014		Changes to Standing Orders Changes to Contract Procedure Rules Changes to Senior Management Team		Gerard Rogers
	July 2013		Executive Arrangements 2012 and minor corrections relating to Scrutiny		Gerard Rogers
	December 2012	19	New Standards arrangements		Gerard Rogers
	February 2012	18	New Scrutiny Procedure Rules		Gerard Rogers
Part 5	December 2017	22	Change to Assistant Directors		<i>U December 17</i> Gerard Rogers
	November 2017	21	General updates	Reviewed and updated	Gerard Rogers
	September 2013	20	Community Assemblies and removal of reference to government proposals for a statutory Employee Code		Gerard Rogers
	December 2012	19	New Standards arrangements		Gerard Rogers
Part 6	September 2017			Reviewed – currently up to date	Gerard Rogers
	January 2017	24	Updates to member allowance scheme from 01/04/16		Gerard Rogers

Part	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017): C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
	April 2015	23	Removal of reference to Deputy Mayor Allowance		Gerard Rogers
	October 2013	19	Updated member allowance scheme		Sharon Goldthorpe
	January 2012	18	Updated member allowance scheme		Sharon Goldthorpe
Part 7	April 2018		Change to CMT (addition of Ian Waller as Assistant Director – Health and Wellbeing) (as of 3 rd April 2018)		<i>U April 2018</i> Gerard Rogers
	November 2017		Change of Service Managers to Assistant Directors		<i>U November 17</i> Gerard Rogers
Page 72	September 2017			Reviewed – currently up to date	Gerard Rogers
	May 2017	n/a	Changes to CMT		Gerard Rogers
	December 2016	n/a	Changes to CMT		Gerard Rogers
	July 2016	n/a	Changes to CMT		Gerard Rogers
	July 2015	n/a	Changes to CMT		Gerard Rogers
	January 2015	n/a	New Senior Leadership Team and Corporate Management Team		Gerard Rogers
Part 8	September 2017			Reviewed – repaired broken link to outside appointments	<i>OC Sept 2017</i> Gerard Rogers

Part	Date of Change (most recent first)	Version	Change <i>Key to right hand column Italics: authority for change (since September 2017):</i> <i>C = Council, S&A = Standards and Audit Committee, U = other update, OC = other correction</i>	Annual Review/ Update	By
	November 2012	n/a	Linked member details to webpages		Gerard Rogers
All Parts	July 2018		Whole Constitution confirmed		S&A 07/07/18
	February 2018		Whole Constitution confirmed		S&A 07/02/18

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

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

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COUNCIL MEETING - 10 OCTOBER, 2018

MINUTES OF COMMITTEE MEETINGS

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

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

Appeals and Regulatory Committee	4 July 11 July 18 July 1 August 8 August 15 August 22 August
Employment and General Committee	10 September
Licensing Committee	25 July 19 September (Full Committee) 19 September
Planning Committee	16 July 6 August 28 August 17 September
Standards and Audit Committee	25 July

If you require paper copies of the Minutes please contact:

Brian Offiler

Democratic Services, Town Hall, Chesterfield, S40 1LP

Tel: 01246 345229 email: democratic.services@chesterfield.gov.uk

CABINET

Tuesday, 17th July, 2018

Present:-

Councillor P Gilby (Chair)

Councillors	Bagley	Councillors	T Gilby
	Blank		Huckle
	Brunt		Ludlow
	A Diouf		Serjeant
Non Voting	Catt		J Innes
Members	Dickinson		

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

24 APOLOGIES FOR ABSENCE

No apologies for absence were received.

25 MINUTES

RESOLVED –

That the Minutes of the meeting of Cabinet held on 26 June, 2018 be approved as a correct record and signed by the Chair.

26 FORWARD PLAN

The Forward Plan for the four month period 1 August to 30 November 2018 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

27 **DELEGATION REPORT**

Decisions taken by Cabinet Members in June 2018 were reported.

***RESOLVED –**

That the Delegation Report be noted.

28 **MONTH 2 BUDGET MONITORING 2018/19 & MEDIUM TERM FINANCIAL PLAN**

The Director of Finance and Resources submitted a report to update members on the Council's budget position for 2018/19, covering the General Fund Revenue Budget, General Fund Capital Programme and Housing Revenue Account.

An updated General Fund Revenue budget forecast as at the end of month two of the financial year 2018/19 was included within section 4 of the officer's report. This showed that the surplus outturn forecast for 2018/19 had already risen from £56k to £298k as a consequence of positive in-year variances to cost and income estimates.

Detailed information on the Council's reserves and the medium term outlook was provided in sections 5 and 6 of the officer's report, respectively.

RESOLVED –

That Cabinet recommend to full Council that:

1. The Council's financial performance in the first two months of the financial year 2018/19, as set out in section 4 of the officer's report, be noted.
2. The new medium term forecast, as detailed in section 8 of the officer's report, be noted.
3. The proposed changes to the medium term forecast, as outlined in section 4 of the officer's report, be approved.

4. The proposed use of reserves and the new applications for funding, as set out in section 5 and paragraph 5.2 of the officer's report respectively, be approved.
5. The updated capital programme, as set out in section 7 of the officer's report, be noted.
6. The additions to the capital programme detailed in paragraph 7.2 of the officer's report, be approved.
7. The proposed financing arrangements for the capital programme, as outlined in paragraph 7.3 of the officer's report, be approved.
8. The position on Housing Revenue Account budgets, included in section 8 of the officer's report, be noted.

REASON FOR DECISIONS

To actively manage the Council's finances in the current financial year 2018/19, and forecast forward the emerging budget position to future financial years.

29 COMMUNITY INFRASTRUCTURE LEVY (CIL) EXPENDITURE STRATEGY

The Infrastructure Planning Officer presented a report recommending for approval the Community Infrastructure Levy (CIL) Expenditure Strategy, which sets out the process by which collected CIL receipts would be allocated to infrastructure projects in future.

The report provided detail on permissible CIL expenditure including that on administrative expenses, strategic infrastructure and local neighbourhoods.

The draft CIL Expenditure Strategy was attached at Appendix 5 to the officer's report.

***RESOLVED –**

1. That the Community Infrastructure Levy (CIL) Expenditure Strategy be approved.

2. That the Council's Constitution be amended to include the delegation references relating to expenditure of CIL as referred to in the CIL Expenditure Strategy.
3. That delegated authority be granted to the Strategic Planning and Key Sites Manager and Infrastructure Planning Officer, in consultation with the Leader of the Council and Cabinet Member for Economic Growth, to make non-material changes to the CIL Expenditure Strategy as required.

REASON FOR DECISIONS

To help to facilitate sustainable development and growth and continued vitality in Chesterfield through CIL investment.

30 EQUALITY AND DIVERSITY ANNUAL REPORT 2017/18

The Policy Officer submitted a report to present to members the Equality and Diversity Annual Report 2017/18.

Members were advised that local authorities are required, under the Equality Act 2010, to publish an annual report that demonstrates compliance with the Public Sector Equality Duty.

The Equality and Diversity Annual Report 2017/18 was attached at Appendix A to the officer's report and included information on;

- progress made against the Council's Equality and Diversity Strategy Action Plan;
- the success of the Chesterfield Equality and Diversity Forum;
- the different events and activities carried out to promote equality and diversity through the Council's services and across the borough; and
- what had been planned for 2018/19.

The Leader of the Council asked for a message of thanks from the Council to be passed on to the Chesterfield Equality and Diversity Forum, its Chair and members, for their excellent work during the last year.

***RESOLVED –**

1. That the Equality and Diversity Annual Report 2017/18 be noted and supported.
2. That the Equality and Diversity Annual Report 2017/18 be published on the Council's website and circulated to partners.
3. That the excellent work of the Chesterfield Equality and Diversity Forum is recognised and a message of thanks be relayed from the Council to the Chair and Members of the Forum.

REASON FOR DECISIONS

To provide the community and relevant organisations with an update of the Council's progress in delivering positive equality and diversity outcomes.

31 FUNDING TO VOLUNTARY AND COMMUNITY ORGANISATIONS 2018/19 AND 2019/20

The Assistant Director – Health and Wellbeing presented a report seeking approval to retain existing funding arrangements for voluntary sector organisations during 2018/19 and 2019/20.

The report affirmed, despite the current challenging financial climate, the Council's commitment to supporting local voluntary organisations and the residents they help and support.

The report proposed that a detailed review of the Council's current financial allocations to the voluntary sector be undertaken, to ensure that the Council can continue to provide financial support to voluntary sector organisations in a way that is sustainable, efficient and effective, and cognisant of the need to demonstrate value for money.

***RESOLVED –**

1. That approval be given to retain the same level of funding and allocations to each voluntary sector organisation for a period of two years from 1 April, 2018 to 31 March, 2020. This allocation, despite severe financial challenges in the public sector, demonstrates the level of commitment the Council has to the voluntary sector and provides the organisations with continued unchanged funding and certainty in planning their resources until 2020.

2. That a detailed review of the Council's financial allocation to the voluntary sector, including funding from the Housing Revenue Account and any other sources within the Council, be undertaken. This will include the impacts and outcomes delivered, together with a comparison of the costs and outcomes from alternative delivery models to ensure best value for money and the most effective methods of supporting Chesterfield residents.
3. That the findings of the review be presented at a future Cabinet meeting, with any potential changes to delivery or funding being implemented from 1 April, 2020 following appropriate consultation.
4. That a contribution of £80k per annum be made from the Housing Revenue Account to reflect the support provided by the voluntary sector to Council tenants.
5. That delegated authority be granted to the Cabinet Member for Governance to approve the final Service Level Agreements for each voluntary sector organisation.

REASON FOR DECISIONS

To ensure that the future delivery of funding to voluntary and community groups meets the priorities of the Council and the needs of the residents of Chesterfield, and is delivered to a high standard in a sustainable way.

32

REVIEW OF NEW ALLOCATIONS POLICY

The Assistant Director – Housing and Housing Options Manager submitted a report seeking approval to make changes to the current Choice Based Lettings and Allocations Policy.

The report provided a summary of the Council's current policy and position, and set out the reasons why the new proposed Home Options Policy had been developed, with further detail set out in Appendices A and D of the officer's report.

The draft Home Options Policy was attached at Appendix B to the officer's report. Members were advised that, subject to approval of the draft Policy, a six week consultation would be carried out with Council tenants and other stakeholders, and appropriate revisions made before a

final version of the Policy would be brought to Cabinet for formal approval and adoption.

***RESOLVED –**

1. That the Council's position with regards the current Choice Based Lettings and Allocations Policy, be noted; and that the proposed Home Options Allocations Policy be approved in principle pending Cabinet consideration of a further report on the findings from the upcoming public consultation.
2. That the Assistant Director – Housing be authorised to carry out a six week consultation process on the proposed Home Options Allocations Policy with current applicants and stakeholders.
3. That the results and findings of the public consultation be presented in a report to Cabinet in October 2018, including making a final recommendation to formally adopt the proposed Home Options Allocations Policy including any alterations made and agreed following the public consultation.

REASON FOR DECISIONS

To enable the Council, through the Housing Options Team, to be in the best possible position to allocate Council Housing stock to applicants most in need, and to provide a customer-focused and user-friendly service.

33 EXCLUSION OF THE PUBLIC

RESOLVED –

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

34 BARROW HILL ENGINE SHED BRIDGE REPAIRS FUNDING

Kier Asset Management submitted a report seeking approval for a package of funding for the required repair works to the Barrow Hill Engine Shed Bridge.

The report provided background on the Barrow Hill Engine Shed site, detail on the required pieces of work, as well as expected costs for the design and delivery of the works.

RESOLVED –

1. That Cabinet recommends to full Council that the funding package for the repairs required to Barrow Hill Engine Shed Bridge be approved.
- *2. That delegated authority be granted to the Director of Finance and Resources to increase spend above that which is projected within the officer's report and in line with the approval limits.

REASON FOR DECISIONS

To ensure that the Barrow Hill Engine Shed Bridge is fit for purpose.

JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE

Tuesday, 17th July, 2018

Present:-

Councillor P Gilby (Chair)

Councillors	Blank Brunt Burrows Davenport A Diouf T Gilby	Councillors	Huckle J Innes Ludlow Serjeant Simmons Wall
Non-Voting Members	Dickinson Catt		

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

8 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Bagley.

9 **MINUTES**

RESOLVED –

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 15 May, 2018 be approved as a correct record and signed by the Chair.

10 **EXCLUSION OF PUBLIC**

RESOLVED –

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.

11 **INFORMATION AND COMMUNICATIONS TECHNOLOGY**

The Assistant Director – Customers, Commissioning and Change submitted a report seeking approval to establish and recruit to additional posts in the ICT service to support delivery of the Council ICT Improvement Programme.

Delivery of the ICT Improvement Programme would provide Chesterfield Borough Council with greater ICT resilience and reliability. The Improvement Programme would also lay the foundations to enable future digital transformation of Council services.

When funding for the ICT Improvement Programme was approved by Cabinet on 24 April, 2018 and Council on 25 April, 2018, the need to strengthen the competence, capability and capacity of the service was highlighted as an issue that would need to be addressed through a fundamental review of the current staff establishment. The report sought to address the need.

***RESOLVED –**

1. That the identified additional ICT posts be approved and added to the Council's establishment.
2. That the Executive Director and Assistant Director - Customers, Commissioning and Change be granted delegated authority, in consultation with the Cabinet Member for Business Transformation, to recruit to the new posts, within the constraints of the ICT Improvement Programme approved budgets.

REASON FOR DECISIONS

To ensure the Council has the correct competence, capability and capacity to deliver the approved ICT Improvement Programme.

JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE

Tuesday, 11th September, 2018

Present:-

Councillor Serjeant (Chair)

Councillors	Bagley	Councillors	Davenport
	Blank		Huckle
	Brunt		J Innes
	Burrows		Serjeant
	Davenport		Simmons
	Huckle		Wall
			Dickinson
Non-Voting Members	Dickinson		

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

13 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Catt, P Gilby, T Gilby and Ludlow.

14 MINUTES

RESOLVED –

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee on 17 July, 2018 be approved as a correct record and signed by the Chair.

15 CORRECT PAYMENT OF HOLIDAY PAY

The Human Resources Manager submitted a report seeking approval of the new corporate policy on the payment of additional holiday pay.

The legal position relating to the method of calculation of holiday pay prior to 2016 was that the basic wage was a 'weeks' pay' excluding allowances and overtime. A Court of Appeal decision in 2016 required that certain allowances and regular contractual overtime should form part of the 'normal weeks' pay'.

Further legal challenge had recently taken place and the subsequent Employment Appeal Tribunal decision required all types of overtime, including voluntary, to be included when calculating a worker's statutory holiday pay entitlement, apart from overtime worked on a genuinely occasional and infrequent basis.

The Employment Appeal Tribunal decision established where a pattern of 'regular and settled' voluntary overtime or additional hours were being worked these should form part of the 'normal week's pay' when calculating holiday pay. This presented a management challenge and administrative burden to continually review overtime. A compromise in the method of calculation had therefore been proposed to resolve this issue.

A working group, consisting of administrative officers, service managers and Trade Unions representatives, had been established to develop and consult on the proposals.

The report provided details of the risks associated with not adopting the policy along with mitigating actions.

***RESOLVED –**

1. That the new corporate policy on the payment of additional holiday pay be approved and implemented from 1 April, 2018.
2. That the process outlined in Annex B, which supersedes the agreement in place from 2016 and meets current legislative requirements, be adopted
3. That the proposal to include all relevant earnings from the previous tax year in the calculation of additional holiday pay, based on 28 days statutory minimum annual leave, be approved.

4. That the HR Manager works with service areas to implement the policy and identify where arrears may be due under the previous system to ensure a consistent approach.

REASON FOR DECISIONS

To ensure a consistent approach to concessions within discretionary services while retaining the flexibility needed to achieve the council's social and legal obligations and commercial needs.

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OVERVIEW AND PERFORMANCE SCRUTINY FORUM**Tuesday, 3rd July, 2018**

Present:-

Councillor P Innes (Chair)

Councillors	Borrell	Councillors	Falconer
	L Collins		Flood
	Derbyshire		Sarvent

Rachel Appleyard, Senior Democratic and Scrutiny Officer ++
Kevin Hanlon, Director of Finance and Resources +
Colin Hampton, Derbyshire Unemployed Workers Centre +++
Charlotte Kearsey, Democratic and Scrutiny Officer

+ Attended for Minute No. 77
++ Attended for Minute No. 78
+++ Attended for Minute No. 81

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

No declarations of interest were received.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Callan, Caulfield, Dyke and Perkins.

3 BUDGET OUTTURN REPORT

The Director of Finance and Resources attended to update members on the General Fund Budget Outturn for 2017/18. The Director explained that the original budget had forecast a £200k deficit and the actual net surplus was £1.2million on the General Fund.

The Director explained that in 2017/18 there had been significant growth from the Operational Services Division, Spirepride and the Chesterfield and District Crematorium. There had been accounting, minimum revenue

provision and insurance savings in addition to council services broadly delivering on budget.

The Housing Revenue Account (HRA) had balanced budgets over the medium term and there was a surplus of £2.5million in 2017/18. The surplus had increased the reserves which were now sufficient for the short term.

Capital receipts had been lower than anticipated due to complications with some sites; however the sales were now progressing towards completion.

The Director informed the members of some ongoing risks. These risks included Business Rates appeal losses, uncertainty around government policy, cost pressures and the possibility of an economic downturn. It was explained that these risks were the reason the reserves were so important for the council.

Consideration was being given to how industrial units could be expanded and increased because these units are in demand in Chesterfield.

Members thanked the Director of Finance and Resources for providing the update.

RESOLVED –

1. That the update be noted.
2. That an update on the budget monitoring position and medium term financial forecast be brought to the meeting of the Forum on 20 November, 2018.

4 SCRUTINY ANNUAL REPORT

The draft Scrutiny Annual Report was considered by Members. The report would be submitted to Council for approval on 18 July, 2018.

RESOLVED-

1. That the Scrutiny Annual Report be approved.

2. That authority be delegated to the Joint Scrutiny Chairs and the Senior Democratic and Scrutiny Officer to make any late amendments.

5 **FORWARD PLAN**

The Forward Plan was considered.

RESOLVED –

That the Forward Plan be noted.

6 **SCRUTINY MONITORING**

The Scrutiny Monitoring Schedule was considered.

RESOLVED –

That the Scrutiny Monitoring Schedule be approved.

7 **DERBYSHIRE UNEMPLOYED WORKERS CENTRE**

Colin Hampton from Derbyshire Unemployed Workers (DUWC) Centre attended to provide members with an insight into how the DUWC operated, the funding position and what support they offer.

The DUWC provided services in Chesterfield town centre, Brimington, Hasland, Staveley, Alfreton, Bolsover, Clay Cross, Clowne, Creswell, Eckington, Grassmoor, Heanor, North Wingfield, Pinxton, Shirebrook and Somercotes. The members were informed that due to budget reductions from Derbyshire County Council (DCC) the DUWC would no longer be able to provide their service in as many locations.

The DUWC had received support from community contributions and external funding which had enabled them to almost replace the money which had been discontinued from DCC. Colin Hampton emphasised that this funding would have to be located every year so this would be a continued struggle for the DUWC.

Colin Hampton detailed the appeal award totals from the most common issues the DUWC dealt with. There had a total of almost £300k returned in arrears payments and a £10k increase in weekly payments to the

DUWC clients. The members were informed that there were hundreds of tribunals waiting to be heard so there were many more people to be helped.

The DUWC also lobbied against issues which affected their clients. The most significant issue currently was the introduction of Universal Credit (UC). Clients were being interviewed about their experiences and awareness was being raised about the assistance available in relation to UC. Leaflets were also being distributed in Staveley, Poolsbrook and Lowgates in advance of UC being introduced in those areas. Members thanked the DUWC for their proactive work to lessen the negative impacts of UC.

The DUWC had also lobbied against zero hours contracts and agency workers.

The Chair thanked Colin Hampton for informing Members about the organisation and answering Members' questions.

RESOLVED –

That the update be noted.

8 SCRUTINY PROJECT GROUP PROGRESS UPDATES

Town Centre Scrutiny Project Group

Councillor Borrell provided an update on the progress of the scrutiny project group report. A response from the Cabinet to each of the report's recommendations was being composed. Once received the response would be circulated to all members of the Overview and Performance Scrutiny Forum.

HS2 Scrutiny Project Group

Councillor Flood provided an update on the progress of the scrutiny project group. The report was underway and it was hoped that the report would be presented to the Overview and Performance Scrutiny Forum in September.

RESOLVED –

That the updates be noted.

9 WORK PROGRAMME FOR THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM

The Work Programme for the Overview and Performance Scrutiny Forum was considered. The Chair noted that there were no changes to the Work Programme.

RESOLVED

That the Work Programme be approved.

10 JOINT OVERVIEW AND SCRUTINY

There were no updates.

11 OVERVIEW AND SCRUTINY DEVELOPMENTS

The Joint Chairs would be attending a training session on chairing scrutiny and would feed back to the Enterprise and Wellbeing Scrutiny Committee and the Community, Customer and Organisational Scrutiny Committee.

12 MINUTES

The Minutes of the Overview and Performance Scrutiny Forum held on 8 May, 2018 were presented.

RESOLVED –

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

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**COMMUNITY, CUSTOMER AND ORGANISATIONAL SCRUTINY
COMMITTEE**

Tuesday, 17th July, 2018

Present:-

Councillor P Innes (Chair)

Councillors Borrell
Flood
Parsons

Councillors Sarvent
Niblock

Councillor Brunt, Cabinet Member for Town Centres and Visitor
Economy +

Councillor Dickinson, Assistant Cabinet Member +

Dianne Illsley, Community Safety Officer +

Brian Offiler, Democratic and Scrutiny Officer

Ian Waller, Assistant Director, Health and Wellbeing +

+ Attended for Minute No. 12

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

No declarations of interest were received.

10 APOLOGIES FOR ABSENCE

No apologies for absence were received.

11 MINUTES

The Minutes of the meeting of the Community, Customer and Organisational Scrutiny Committee held on 22 May, 2018 were presented.

RESOLVED –

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

12 **CABINET MEMBER FOR HEALTH AND WELLBEING -
EFFECTIVENESS OF TOWN CENTRE PUBLIC SPACES
PROTECTION ORDERS**

The Assistant Director, Health and Wellbeing and the Community Safety Officer presented a progress report on the Community Safety Partnership (CSP) Plan for 2018/19, the CSP performance report as recorded by the Safer Derbyshire Research and Information Unit in respect of crime and disorder data and a progress report on the Public Spaces Protection Orders (PSPOs).

The CSP plan outlined actions and progress against the seven priority areas of substance misuse, organised crime groups, cyber crime, improving support for victims, anti-social behaviour, domestic violence and hate crime and integrated offender management. Members expressed concerns regarding the reduced involvement of the police in local community meetings and issues.

It was noted that partitions were due to be installed at the bus shelters on New Beetwell Street, with the aim of reducing anti-social behaviour in that area.

The crime and disorder data showed that reported crime in Chesterfield had increased by 1.5% in the 12 months to May, 2018, compared to an increase of 4.4% across Derbyshire. The largest reduction had been in respect of burglary; the largest increases had been in respect of theft of motor vehicles, vehicle interference, public disorder, possession of weapons and drug offences.

It was noted that recent changes in how crime data was recorded (at time of notification) may lead to increases in recorded crime figures in the coming months, although it was questioned whether the reduction in the number of shoplifting incidents may be due to a lower level of reporting.

The PSPOs had been introduced in December, 2017 to manage anti-social behaviour in Chesterfield town centre. Their implementation was based on close working between Council teams and the Police and had resulted in a significant reduction in calls for service and reports to the Community Safety office. Details of the number of actions taken were included in the report.

The Community Safety team was continuing to monitor progress with the Police and to work with partners, including the North Derbyshire Homeless Forum, to ensure effective enforcement of the PSPOs as well as support for those individuals affected. It was noted that plans for a night shelter were being developed with local churches to operate during the coldest months of the year.

It was noted that the effectiveness of the PSPOs was monitored through the town centre summit, which would meet again in October, and would be reported to Cabinet at the end of the year.

The Chair thanked the Cabinet Member for Town Centres and Visitor Economy, the Assistant Cabinet Member, the Assistant Director for Health and Wellbeing and the Community Safety Officer for their contribution to the meeting.

RESOLVED –

That the progress reports on the Community Safety Partnership plan and performance and the Public Spaces Protection Orders be noted and supported.

13 SCRUTINY PROJECT GROUPS PROGRESS UPDATE

The Chair reported that the Scrutiny Project Group on Council owned community venues had held an initial meeting with the Careline and Support Servicer Manager to gather information to inform the scope of the project. The lead member was Councillor Caulfield and Councillors P Innes and Perkins were members of the group. The project start report was in the process of being written and would be presented to the next meeting of the Committee.

RESOLVED -

That the membership of the Scrutiny Project Group on Council owned community venues be approved and the ongoing work of the group be supported pending the presentation of the project start report to the next meeting of the Committee.

14 **SCRUTINY MONITORING**

The Committee considered the Scrutiny recommendations monitoring schedule.

In respect of item CCO4 on the schedule, the Committee received the response from the Cabinet Member for Homes and Customers to its recommendation regarding computer terminals being made available at the Healthy Living Centre to support Universal Credit claimants in Staveley. The response, whilst not accepting the specific recommendation, identified several locations within Staveley where such support was available and confirmed that this provision would be regularly monitored to ensure it was sufficient.

RESOLVED -

- (1) That the Scrutiny monitoring schedule be noted.
- (2) That the Cabinet Member's response in respect of item CCO4 be noted and that the Committee monitor the provision of computer terminals and support for Universal Credit claimants in the Staveley area as part of its ongoing review of the implementation of Universal Credit.

15 **FORWARD PLAN**

The Committee considered the Forward Plan for the period 1 August – 30 November, 2018.

RESOLVED –

That the Forward Plan be noted.

16 **WORK PROGRAMME FOR THE COMMUNITY, CUSTOMER AND ORGANISATIONAL SCRUTINY COMMITTEE**

The Committee considered the list of items included on its work programme for 2018/19.

RESOLVED -

That the work programme be approved and updated to include the decisions of the current meeting.

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ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE**Tuesday, 24th July, 2018**

Present:-

Councillor Sarvent (Chair)

Councillors Caulfield
DerbyshireCouncillors Dyke
Falconer

Alison Craig, Assistant Director – Housing +
 Councillor Terry Gilby, Cabinet Member for Economic Growth +
 Councillor Gordon Simmons++
 Alan Morey, Strategic Planning and Key Sites Manager +
 Ian Waller, Assistant Director – Health and Wellbeing ++

+ Attended for Minute No. 16

++ Attended for Minute No. 17

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

No declarations were received.

14 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors D Collins, V-A Diouf and Perkins.

15 MINUTES**RESOLVED –**

The Minutes of the meeting of the Enterprise and Wellbeing Scrutiny Committee held on 5 June, 2018 were approved as a correct record and signed by the Chair.

**16 CABINET MEMBERS FOR ECONOMIC GROWTH AND HOUSING -
UPDATE ON NEW HOUSING SUPPLY AND THE IMPACT OF NEW
HOUSING**

The Cabinet Member for Economic Growth, Assistant Director – Housing, and Strategic Planning and Key Sites Manager attended to provide members with a presentation and verbal update on the development and potential impacts of new housing developments in the borough.

The presentation included a graph that showed the total number of housing completions per year since 1991, which showed that housing delivery had fluctuated significantly during this time, and that levels had been notably lower since the start of the ‘Recession’ in 2007.

The Strategic Planning and Key Sites Manager informed members that the Council had been working on developing a new Local Plan, which would run through 2033. It was planned for this to be completed and sent to the Secretary of State to be examined by an independent Planning Inspector in summer 2019.

During the development process, a Strategic Housing Market Assessment had been carried which concluded that through 2033, the Council would need to develop 5250 new housing units (292 per year) to meet demand.

The Strategic Planning and Key Sites Manager advised members that consideration would always be given to the potential impacts of new housing during the planning phase, and that the Council would work with relevant partners and bodies and take any measures available to ensure any impacts are as nominal as possible.

The Assistant Director – Housing provided a breakdown of the numbers and types of units within the Council’s social housing stock, of which the majority of properties are flats, two-bedroom houses and four-bedroom houses.

Further information was provided which detailed the longer-term plans for developing Council housing units across the borough through 2023/24. Staff from the Council’s Operational Services Department had begun working on the construction of four properties due for completion in 2018/19.

The Assistant Director – Housing advised that some of the upcoming units would be modular developments, with construction taking place off-site and being delivered at a later date. Members heard that this would accelerate timescales for development and delivery

Members asked how certain the Council is that the quality of modular developments would meet the same high standards that the Council has for its houses.

The Assistant Director – Housing advised that numerous authorities across the country are utilising modular developments and that there had also been a drive from central government. There were no major concerns or issues relating to the developments and all involved were confident that these would be high quality houses at the same standard as any other development in Chesterfield.

The Committee thanked the Cabinet Member for Economic Growth, Assistant Director – Housing, and Strategic Planning and Key Sites Manager for attending.

RESOLVED –

That the update be noted.

17 SCRUTINY PROJECT GROUPS

Leisure, Sports and Cultural Activities

The Assistant Director – Health and Wellbeing attended to inform members that a meeting had been arranged with the original contractors for the new Queen's Park Sports Centre, to discuss the completion of the remaining snagging issues at the site.

Members were also advised that the Council had received positive feedback from Sport England on the success of the centre to date.

The Committee agreed that further updates on the completion and progress of work at the site should be reported to the Committee, and that once completed, the Scrutiny Project Group would be removed from the Committee's monitoring schedule.

Future use of the former Queen's Park Sports Centre

Councillor Simmons, Lead Member of the Scrutiny Project Group, and the Assistant Director – Health and Wellbeing advised members that the

planning application for the development of the sports pitch was expected to be presented to the Council's Planning Committee on 28 August, 2018.

It was noted that the procurement process had progressed at a satisfactory pace, and that Historic England had raised no objections to the proposed scheme.

Skills

Councillor Simmons, Lead Member of the Scrutiny Project Group, informed the Committee that the project group had recently commenced in June, 2018 and had held initial meetings and developed a draft scope for the project.

The group planned to explore a number of specific topic areas including:

- local labour agreements;
- apprentice starts;
- 18-24 year olds not in education or employment; and
- working with schools to develop skills tailored toward future jobs in the HS2 industry.

It was noted that a meeting had been scheduled for 25 July, 2018 with the Cabinet Member for Economic Growth to formalise the scope of the project, and that the Project Start Report would be presented to the Overview and Scrutiny Chairs for approval following this.

Play Strategy

The Chair informed members that the results of the public consultation on public open spaces, which concluded on 1 June, 2018, had been received and would be presented to all members once processed.

RESOLVED –

1. That the updates be noted.
2. That the Assistant Director – Health and Wellbeing provide members with a briefing note update via email following the meeting with the Queen's Park Sports Centre contractors, and attend the next meeting of the full Committee to advise of when the final pieces of work are expected to be completed.

18 FORWARD PLAN

The Forward Plan for the four month period 1 July to 31 October, 2018 was presented for information.

The Chair advised members of the key and non-key decisions on the Forward Plan that fell under the remit of the Enterprise and Wellbeing Scrutiny Committee.

Members showed an interest in considering the upcoming key decision 'Careline Response – Review of Staffing', scheduled to be taken by Cabinet on 11 September, 2018.

RESOLVED –

1. That the Forward Plan be noted.
2. That the Committee consider carrying out pre-decision and/or post-decision scrutiny on the key decision 'Careline Response – Review of Staffing'.

19 WORK PROGRAMME FOR THE ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE

The 2018/19 Work Programme for the Enterprise and Wellbeing Scrutiny Committee was reported for information.

RESOLVED –

That the Work Programme be noted.

20 MONITORING SCHEDULE

The Monitoring Schedule was reported for information.

RESOLVED –

That the Monitoring Schedule be noted.

21 CORPORATE WORKING GROUPS

The Chair advised that there was no update to provide on the activity of the Housing Revenue Account Steering Group.

RESOLVED –

That the Committee receive an update at a future meeting.

22 ANY OTHER BUSINESS

The Chair, on behalf of all members, thanked Joel for all his hard work in supporting this Committee during his time with Council, wished him success in his new appointment and gave their best wishes to him and his growing family