

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, 17 July 2019** at **5.00 pm** for the purpose of transacting the following business:-

1. To approve as a correct record the Minutes of the meetings of the Council held on 13 and 15 May, 2019 (Pages 5 - 16)
2. Mayor's Communications
3. Apologies for Absence
4. Declarations of Members' and Officers' Interests relating to items on the Agenda.
5. Notice of Motion under Standing Order No. 21

To consider the motion submitted by Councillor Serjeant in accordance with Standing Order No. 21 (to be considered at this point on the agenda at the Mayor's discretion):

"This Council notes the Intergovernmental Panel on Climate Change (IPCC) 'Special Report on Global Warming of 1.5°C', published in October 2018, which confirmed the catastrophic consequences of manmade climate change and the urgent need to act to address the marked increases that we are already seeing with regards higher sea levels, flooding, other extreme weather events, crop failures and destruction of land and marine ecosystems.

This Council therefore:

- (a) declares unequivocally that our town and borough, country and planet are facing a CLIMATE EMERGENCY;*
- (b) agrees to establish a Chesterfield Climate Change working group to respond to this challenge, with representation from key borough stakeholders including our schools, college and university, the private sector and community and voluntary organisations, including Transition Chesterfield, Chesterfield Climate Alliance and young people's representative groups, with the shared purpose of enabling Chesterfield to become a low carbon, resilient and sustainable borough;*

- (c) *invites the working group to report back and make recommendations to Full Council on a realistic date for Chesterfield to be carbon neutral, and to develop a costed action plan, by March 2020, setting out the required work to achieve this outcome;*
- (d) *resolves to work with other local authorities and public, private and voluntary sector partners on carbon reduction projects;*
- (e) *calls on the Government to provide the necessary resources and powers for Chesterfield Borough Council to achieve its ambition of becoming a carbon neutral town and borough.”*

6. Public Questions to the Council

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

Question submitted by Lisa Hopkinson, Transition Town Chesterfield:

“Given that road transport is the biggest single source of carbon emissions as well as deadly roadside nitrogen dioxide pollution, and given that the majority of cars on the road over the next 10 years will still be petrol or diesel, what is the borough council doing to encourage less car-based development and reduce car use in the borough generally, for the benefits of all residents particularly children and the elderly?”

Question submitted by Alastair Meikle, Secretary, Chesterfield Cycle Campaign :

“Cycling is an effective way to cut carbon emissions and increase the amount of physical activity, benefitting the environment and public health. Will Chesterfield Borough Council fully commit to supporting and insisting upon cycling infrastructure both within new developments and connections outside developments to the wider Chesterfield Cycle network to allow citizens an opportunity to have a choice to not use private cars for local journeys?”

Question submitted by Darryl Cowley:

“Tree planting is one of the most cost effective ways to capture carbon from the atmosphere. Has the council done an assessment of the potential for tree planting on its land and would it be willing to facilitate opportunities for volunteers and the community to undertake large scale tree planting on council land?”

Question submitted by Roger Green:

“The installation over the past few weeks of electric vehicle charging points in the Soresby Street, Durrant Road and St Mary's Gate car parks in Chesterfield is very welcome and has at last overcome the reputation the town has had of being a desert when it came to refuelling an electric vehicle. However, in the cases of Durrant Road and St Mary's Gate, allowing non-electric vehicles to park in the spaces with chargers, in a 'mixed use' arrangement, and having only one space reserved specifically for an electric vehicle, is already leading to the majority of the spaces being taken up by diesel or petrol vehicles. This means that most of the chargers will scarcely be used, thus wasting the public money presumably spent on installing them. As they are slow chargers, drivers plugging in will want to stay there for several hours to get a decent amount of charge, further restricting the availability for other electric vehicles, if the mixed use spaces are occupied by conventional vehicles. My question is: Will the council therefore consider reserving most, if not all, of these spaces with chargers, for electric vehicles, therefore allowing them to be used for the purpose intended, and not merely as parking for non-electric vehicles?”

7. Petitions to Council

To receive petitions submitted under Standing Order No. 13

8. Questions to the Leader

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

9. General Fund Budget Outturn Report 2018/19 (Pages 17 - 38)

10. Quarter 1 Budget Monitoring 2019/20 & Updated Medium Term Financial Forecast (Pages 39 - 56)

11. Risk Management Strategy and Annual Review (Pages 57 - 84)

12. Annual Report of the Standards and Audit Committee (Pages 85 - 94)

13. Scrutiny Annual Report 2018/19 (Pages 95 - 124)

14. Equality and Diversity Strategy and Action Plan 2019-2023 (Pages 125 - 148)

15. Strengthened Local Enterprise Partnerships (Pages 149 - 210)

16. Minutes of Committee Meetings (Pages 211 - 212)

To receive for information the Minutes of the following meetings:

- Appeals and Regulatory Committee
- Planning Committee
- Standards and Audit Committee

17. To receive the Minutes of the meetings of the Cabinet of 21 May, 4 and 25 June, 2019 (Pages 213 - 220)

18. To receive the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 4 June, 2019 (Pages 221 - 224)

19. Questions under Standing Order No. 19

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

By order of the Council,



Chief Executive

Chief Executive's Unit,
Town Hall,
Chesterfield

9 July 2019

COUNCIL

Monday, 13th May, 2019

Present:-

Councillor Brittain (The Mayor)

Councillors	Bagshaw	Councillors	J Innes
	Barr		P Innes
	Bellamy		Kellman
	Bingham		Kelly
	Blakemore		Ludlow
	Blank		Mannion-Brunt
	Borrell		Mann
	Brady		Marriott
	Catt		Miles
	Caulfield		A Murphy
	D Collins		T Murphy
	L Collins		P Niblock
	Coy		S Niblock
	Davenport		Perkins
	Dyke		Perry
	G Falconer		Rayner
	K Falconer		Redihough
	Flood		Rogers
	Fordham		Sarvent
	P Gilby		Serjeant
	T Gilby		Simmons
	Hollingworth		Snowdon
	Holmes		Thornton

95 **AMENDMENT OF ORDER OF BUSINESS**

In accordance with Standing Order No. 4.5 at the Mayor's discretion the order of business was changed to enable the supplementary agenda item 'Delegation Scheme' to be considered at Minute No. 107.

96 **MINUTES****RESOLVED –**

That the Minutes of the meeting of Council held on 27 February, 2019 be approved as a correct record and be signed by the Chair.

97 **MAYOR'S COMMUNICATIONS**

The Mayor referred to the following recent Mayoral engagements:

- Meeting the organisers of Chernobyl Children's Life Line, a charity set up to support children in Belarus suffering from the after effects of the Chernobyl nuclear explosion in 1986;
- Attending Hasland Playhouse for performances of 'Chicago' and 'The Diary of Anne Frank';
- Visiting the Elm Foundation, a local charity offering a range of specialist domestic abuse services to men, women and children;
- Welcoming the High Sheriff of Derbyshire Lord Burlington on a tour of Rother Ward;
- Hosting a parlour tour with Chesterfield borough residents named in the Queens 2019 New Year's Honours List.

The Mayor thanked everybody who had supported events for the Mayor's appeal, particularly the recent Gala Dinner, which had been a very enjoyable evening and had raised £3,500 for the Mayor's charities.

98 **APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor Callan.

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

No declarations were received.

100 VOTE OF THANKS TO THE RETIRING MAYOR AND MAYORESS

It was moved by Councillor Jenny Flood, seconded by Councillor Shirley Niblock and resolved:-

- (a) That the best thanks of the Council be accorded to Councillor Stuart Brittain for his services as Mayor of the Borough for the past year, for the able manner in which he has directed the affairs of the town and for the deep interest which he has shown in all matters relating to the welfare of the Borough;
- (b) That the best thanks of the Council be accorded to Mrs Anne Brittain for the grace, charm and dignity with which she has undertaken her duties as Mayoress.

101 PUBLIC QUESTIONS TO THE COUNCIL

No questions had been received.

102 PETITIONS TO COUNCIL

No petitions had been received.

103 ELECTION OF BOROUGH COUNCILLORS - 2 MAY, 2019

The Chief Executive reported that at the Borough Council elections held on 2 May, 2019 those listed in his tabled report had been elected as members of the Council for the wards stated.

104 APPOINTMENT OF THE EXECUTIVE LEADER OF THE COUNCIL AND COMMITTEE APPOINTMENTS 2019/20**RESOLVED –**

1. That Councillor Tricia Gilby be appointed Executive Leader of the Council for the period 2019-23.
2. That the Member-level bodies of the Council for 2019/20, and the number of Members on each be as follows:-

Planning Committee

15

Planning Sub Committee	3
Appeals and Regulatory Committee	14
Licensing Committee	14
Employment and General Committee	6
Overview and Performance Scrutiny Forum	16
Community, Customer and Organisational Scrutiny Committee	8
Enterprise and Wellbeing Scrutiny Committee	8
Standards and Audit Committee (Borough Council representatives only)	6

3. That the following named Members be appointed to the Council's Member-level bodies for 2019/20:

Planning Committee

Councillors: Barr, Bingham, Borrell, Brady, Callan, Catt, Caulfield, Davenport, G Falconer, T Gilby, Kelly, Mann, Marriott, Miles and Simmons.

Planning Sub-Committee

Councillors: Barr, Callan and T Gilby.

Appeals and Regulatory Committee

Councillors: Bellamy, Bingham, G Falconer, Flood, P Innes, Marriott, Miles, A Murphy, S Niblock, Perkins, Perry, Rayner, Redihough and Rogers.

Licensing Committee

Councillors: Bagshaw, Bellamy, Blakemore, Brittain, Flood, A Murphy, T Murphy, P Niblock, S Niblock, Perkins, Rayner, Redihough, Rogers and Thornton.

Employment and General Committee

Councillors: Blank, Brittain, Davenport, K Falconer, T Murphy and Simmons.

Overview and Performance Scrutiny Forum

Councillors: Bagshaw, Blakemore, Borrell, Catt, Caulfield, D Collins, L Collins, Coy, Dyke, Flood, Fordham, Hollingworth, P Innes, Kellman, Kelly and Snowdon.

Community, Customer and Organisational Scrutiny Committee

Councillors: Bagshaw, Blakemore, Borrell, L Collins, Dyke, Fordham, P Innes and Kellman.

Enterprise and Wellbeing Scrutiny Committee

Councillors: Bagshaw, Catt, Caulfield, D Collins, Coy, Dyke, Hollingworth and Snowdon.

4. That the following named Members be appointed to the Standards and Audit Committee (Borough Council representatives only) for 2019/20:

Councillors: Brady, Caulfield, Kellman, T Murphy, Rayner and Snowdon.

5. That the following named Members be appointed to the roles of Chairs and Vice-Chairs of Committees for 2019/20:

Planning Committee	Chair: Councillor Callan Vice-Chair: Councillor Simmons
Planning Sub Committee	Chair: Councillor T Gilby Vice-Chair: Councillor Callan
Appeals and Regulatory Committee	Chair: Councillor A Murphy Vice-Chair: Councillor Perkins

Licensing Committee	Chair: Councillor A Murphy Vice-Chair: Councillor Perkins
Employment and General Committee	Chair: Councillor T Murphy
Overview and Performance Scrutiny Forum	Councillors Catt and P Innes to be alternating Chairs
Community, Customer and Organisational Scrutiny Committee	Chair: Councillor P Innes Vice-Chair: Councillor Borrell
Enterprise and Wellbeing Scrutiny Committee	Chair: Councillor Catt Vice-Chair: Councillor D Collins
Standards and Audit Committee	Chair: Councillor Rayner Vice-Chair: Councillor Kellman

6. That the text of the Council's constitution be revised to incorporate the revised total number of Members on the Appeals and Regulatory Committee, the Licensing Committee and the Standards and Audit Committee.

105 **DEPUTY LEADER OF THE COUNCIL AND CABINET APPOINTMENTS 2019/20**

RESOLVED –

1. That the Council notes the appointment by the Leader of Councillor Amanda Serjeant as the Deputy Leader of the Council for 2019/20.
2. That the Council notes the appointment by the Leader of the following Members of the Cabinet for 2019/20:

Cabinet Member for Business Transformation & Customers Councillor Jean Innes

Cabinet Member for Economic Growth Councillor Terry Gilby

Cabinet Member for Governance	Councillor Sharon Blank
Cabinet Member for Health and Wellbeing	Councillor Jill Mannion-Brunt
Cabinet Member for Housing	Councillor Chris Ludlow
Cabinet Member for Town Centres and Visitor Economy	Councillor Kate Sarvent
Minority Member without Portfolio	Councillor Paul Holmes
Assistant Cabinet Members (Special Projects)	(Appointments deferred)

106 CIVIC ARRANGEMENTS 2019/20

RESOLVED -

That Councillor Mick Bagshaw be invited to become Deputy Mayor of the Borough for 2019/20.

107 DELEGATION SCHEME

The Mayor was of the opinion that this item should be considered as a matter of urgency, by reason of special circumstances, namely that it had been drawn to the authority's attention that the item referred to at Standing Order 1(7) had been omitted from the agenda, in order to enable the scheme of delegation to be confirmed.

The Monitoring Officer submitted a report seeking confirmation of the current scheme of delegation.

The constitution sets out the principal powers, duties and procedures of the Council, including, in Part 3, to whom decision making over the Council's various functions was delegated. The current version of the constitution had been approved and confirmed at the Council meeting in October, 2018. This would be updated to reflect the changes that had been made to portfolios at Minute No. 105 above.

In accordance with Standing Order No. 24, a recorded vote was taken for this item as follows:

FOR –

Councillors:	Councillors:
Bellamy	P Innes
Blakemore	Kelly
Blank	Ludlow
Brady	Mannion-Brunt
Catt	Marriott
Caulfield	Miles
D Collins	A Murphy
L Collins	T Murphy
Dyke	Perkins
Flood	Rayner
P Gilby	Sarvent
T Gilby	Serjeant
J Innes	Simmons

AGAINST –

Councillors:	Councillors:
Barr	Holmes
Bingham	Kellman
Borrell	P Niblock
Coy	S Niblock
Davenport	Redihough
G Falconer	Rogers
K Falconer	Snowdon
Fordham	Thornton
Hollingworth	

ABSTENTIONS –

Councillors:	Councillors:
Bagshaw	Mann
Brittain	Perry

RESOLVED –

That the scheme of delegation in Part 3 of the constitution be confirmed, subject to the necessary amendments resulting from the Leader's changes to portfolios.

108 QUESTIONS TO THE LEADER

No questions were received.

109 MINUTES OF COMMITTEE MEETINGS**RESOLVED -**

That the Minutes of the following Committees be noted:

- Appeals and Regulatory Committee of 20 February, 20 March and 3, 10, 17 and 24 April, 2019;
- Employment and General Committee of 18 March and 1 April, 2019;
- Planning Committee of 18 February, 11 March and 1 and 23 April, 2019;
- Standards and Audit Committee of 6 February, 2019.

110 MINUTES OF CABINET**RESOLVED –**

That the Minutes of the meetings of Cabinet of 26 February, 19 March and 9 April, 2019 be noted.

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

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 19 March, 2019 be noted.

112 **MINUTES OF THE OVERVIEW AND PERFORMANCE SCRUTINY FORUM**

RESOLVED –

That the Minutes of the meetings of the Overview and Performance Scrutiny Forum of 15 January and 19 March, 2019 be approved.

113 **MINUTES OF THE COMMUNITY, CUSTOMER AND ORGANISATIONAL SCRUTINY COMMITTEE**

RESOLVED -

That the Minutes of the meeting of the Community, Customer and Organisational Scrutiny Committee of 26 March, 2019 be approved.

114 **MINUTES OF THE ENTERPRISE AND WELLBEING SCRUTINY COMMITTEE**

RESOLVED –

That the Minutes of the meetings of the Enterprise and Wellbeing Scrutiny Committee of 5 February and 2 April, 2019 be approved.

115 **QUESTIONS UNDER STANDING ORDER NO. 19**

Under Standing Order No. 19 Councillor Fordham asked the following questions and received verbal responses from Councillor P Gilby:

- How many bicycle racks had been installed across the Borough in the last year and how many were budgeted for 2019/2020?
- Whether the Council would consider a three year funding commitment to the partnership that enabled Chesterfield to have a winter night shelter for rough sleepers and those in need?

COUNCIL**Wednesday, 15th May, 2019**

Present:-

Councillor Brittain (The Mayor)

Councillors	Bagshaw	Councillors	Holmes
	Barr		J Innes
	Bellamy		P Innes
	Blakemore		Kellman
	Borrell		Kelly
	Brady		Ludlow
	Catt		Mannion-Brunt
	Caulfield		Marriott
	D Collins		A Murphy
	L Collins		T Murphy
	Coy		P Niblock
	Davenport		S Niblock
	Dyke		Perkins
	G Falconer		Rayner
	K Falconer		Redihough
	Flood		Rogers
	Fordham		Sarvent
	P Gilby		Serjeant
	T Gilby		Simmons
	Hollingworth		Snowdon

1 TO ELECT THE MAYOR FOR THE CIVIC YEAR 2019/20

It was moved by Councillor Terry Gilby, seconded by Councillor Peter Barr and resolved that Councillor Gordon Simmons be elected Mayor of the Borough of Chesterfield for the Civic Year 2019/20.

(At this point, the Chair was vacated by Councillor Stuart Brittain and occupied by the new Mayor.)

The Mayor then made the Declaration of Acceptance of Office and took the Oath of Allegiance.

2 PRESENTATION TO THE RETIRING MAYOR AND MAYORESS

Pursuant to Minute No. 100 (2018/19), the Mayor presented Councillor Stuart Brittain with a former Mayor's badge and a record of his year of office and a former Mayoress' badge to Mrs Anne Brittain.

3 TO ELECT THE DEPUTY MAYOR FOR THE CIVIC YEAR 2019/20

It was moved by the Mayor, seconded by Councillor Tricia Gilby and resolved that Councillor Mick Bagshaw be appointed Deputy Mayor of the Borough of Chesterfield for the Civic Year 2019/20.

4 TO RECEIVE THE APPOINTMENT OF THE MAYOR'S CHAPLAIN FOR THE CIVIC YEAR 2019/20

The Mayor indicated that he had appointed Reverend Canon Matt Barnes to be the Mayor's Chaplain.

5 TO CONFIRM THE RECOMMENDATIONS OF THE ANNUAL BUSINESS MEETING HELD ON 13 MAY, 2019**RESOLVED -**

That the recommendations of the Annual Business Meeting of Council held on 13 May, 2019, at Minute No.104 (2018/19), be noted and approved.

For publication

General Fund Budget Outturn Report 2018/19

Meeting:	Council
Date:	17 th July 2019
Cabinet portfolio:	Deputy Leader of the Council
Report by:	Director of Finance & Resources

For publication

1.0 **Purpose of report**

- 1.1 To report on the General Fund Revenue and Capital Outturns for 2018/19, provide details of significant variations from the revised estimates and consider carry forward requests.

2.0 **Recommendations**

- 2.1 That Council notes the report on the General Fund Revenue and Capital Outturns for 2018/19.

3.0 **Background**

- 3.1 This report includes details of the General Fund revenue account and the collection fund outturns, plus a summary of the General Fund Capital Programme. There will be a separate report presented for the Housing Revenue Account covering

both the revenue and capital elements. The information in these reports will then be incorporated into the published 2018/19 Statement of Accounts.

3.2 The external audit of the accounts is due to start in June. The formal published Statement of Accounts will be presented to the Standards and Audit Committee for approval at the end of July on conclusion of the audit. Once approved, a copy of the Statement of Accounts will be placed on the Council's web-site.

3.3 The Council's Financial Strategy sets out the Council's policy on the levels and nature of reserves and balances. The Strategy also defines how under or overspends should normally be treated at the end of each financial year:

- ◆ Any under spend on the General Fund will be transferred to the Budget Risk Reserve;
- ◆ Any over spend on the General Fund will be met from the Budget Risk Reserve or the General Working Balance;
- ◆ Any DLO/DSO surpluses arising in the year that are not required for operational purposes will be transferred to the General Fund.

3.4 This report was considered by Cabinet at its meeting on 21 May, 2019 when it was resolved:

1. That the General Fund Revenue and Capital Outturn reports for 2018/19 be noted.
2. That the General Fund carry forward requests, as set out in paragraph 4.6 of the officer's report, be approved.
3. That the level of General Fund Reserves and Balances, as set out in section 6 and Appendix C of the officer's report, be approved.

4. That the General Fund surplus for the financial year 2018/19, as set out in paragraph 6.7 of the officer's report, be transferred to the budget risk reserve.
5. That the capital financing arrangements, as set out in Appendix D of the officer's report, be approved.

4.0 General Fund Revenue

- 4.1 The Summary Revenue Account, comparing the outturn with both the original and revised estimates for the financial year, is shown at **Appendix A**. There was a net surplus of **£395k** in the year compared with:
 - a) The **original** February 2018 budget forecast - £56k surplus.
 - b) The **revised** February 2019 budget forecast - £162k surplus.
- 4.2 Details of the variances that contributed towards the overall £106k movement from the original surplus forecast to the revised forecast were included in the budget report to Cabinet on 26th February 2019.
- 4.3 The outturn surplus is **£233k** above the revised February 2019 budget forecast. A summary of the most significant variances is included in **Appendix B**.
- 4.4 Further work will be undertaken to establish which variances are likely to recur in future years. The results of this exercise will be included in the next budget monitoring report to Cabinet.
- 4.5 There are material variances on asset charges shown on the Cabinet Member for Economic Growth (£5.4m increase in value of Industrial Units) and Cabinet Member for Town Centre and Visitor Economy (£3.1m decrease in value of Pavements, Vicar Lane and Market Hall) portfolios due to valuation adjustments for investment properties. Accounting regulations require the

adjustments to be reflected in the appropriate service revenue account but they are then reversed out in the “Interest and Capital Charges” line of the summary revenue account (Appendix A) which shows an increased income. There is, therefore, no bottom-line impact from these valuation adjustments.

- 4.6 There are three **carry forward requests** to consider. Further details are provided at **Appendix E**. The table below provides a summary of these requests.

Table 1 - Carry Forward Requests			
Portfolio	Service	Description	Amount
Economic Growth	Asset Management	Capital Receipts generation	£100,000
Business Transformation	Human Resources	Mandatory staff training	£25,000
Town Centre & Visitor Economy	Markets	Car Boot sale advertising	£2,600
Total	Carry f/wds		£127,600

- 4.7 A budget was established during 2018/19 to assist with bringing disposal of assets to a speedy and successful conclusion. The request to carry forward the unspent balance of £100k is to continue to facilitate this activity throughout 2019/20.

5.0 DLO/DSO's

- 5.1 A summary of the DLO/DSO surpluses/deficits and the proposed distribution is shown in the table below:

Table 2 - Surplus/(Deficits) Proposed Distributions				
	Surplus / (Deficit)	Retained in the service	To Gen Fund	To Budget Risk Reserve
	£	£	£	£
Building Maintenance	265,954	-	265,954	-
Spirepride	598,674	-	598,674	-

Building Cleaning	(20,689)	-	(20,689)	-
Security Services	7,304	-	-	7,304
Total	851,243	-	843,939	7,304

6.0 General Fund Balances & Reserves

6.1 The table below shows a summary of the General Fund Reserves and Provisions; more detail is provided in **Appendix C**. Please note that the summary of useable reserves in the table below excludes the **General Working Balance** of £1.5m.

Table 3 – General Fund Reserves & Provisions 2018/19			
Reserve	Opening Balance £'000	Revised Forecast £'000	Closing Balance £'000
Budget Risk Reserve	683	567	1,240
Invest-to-Save Reserve	31	-	-
Service Improvement Reserve	339	298	315
Other Earmarked Reserves	8,513	7,626	8,135
Provisions	1,760	1,764	1,848
Total Reserves & Provisions	11,326	10,255	11,538

6.2 Overall the level of reserves and provisions are £1.3m above the revised budget forecast estimate due in part to the impact of the General Fund surplus of £0.4m. Further details are provided below.

6.3 **Budget Risk Reserve**

This reserve provides a supplement to the General Working Balance to cover any budget risks and to help finance any severance costs resulting from voluntary staffing reductions through implementing the Transformation Strategy. The small balance on the Invest to Save reserve has been transferred to the Budget Risk reserve and subsequently closed.

Table 4 – Budget Risk Reserve		
	Outturn £'000	Revised Budget £'000
Balance b/fwd 1st Apr 2018	683	683
<u>Movements In 2018/19:</u>		
Transfers into reserve	224	13
Approved carry forward requests	(2)	(2)
Feasibility study	(38)	(30)
Enterprise Advisor Network	(6)	(6)
Pavements: Rough sleeping solution	(23)	(25)
Skills Action Plan	(2)	(2)
Replacement of kiosks	(13)	(14)
VR/VER's	(15)	(70)
Extend Industrial Portfolio	-	(10)
Reimbursement from savings - IDOX	30	30
DSO Surpluses	7	-
Add: budget surplus in 2018/19	395	-
Balance c/fwd 31st Mar 2019	1,240	567
<u>Approved Commitments:</u>		
Enterprise Advisor Network	(5)	(5)
Feasibility study	(22)	(30)
Extend Industrial Portfolio	(20)	(10)
Reimbursement from savings – IDOX (future years)	9	9
Uncommitted Balance	1,202	531

6.4 Service Improvement Reserve

The table below provides a comparison of the revised budget estimate and the outturn position.

Table 5 - Service Improvement Reserve		
	Outturn £'000	Revised Budget £'000
Balance b/fwd 1st Apr 2018	339	339
<u>Movements In 2018/19:</u>		
Linacre Master Planning	-	(11)

HS2 Project Officer	(53)	(53)
Green Waste strategy	-	(6)
Former QPSC Business Case	(5)	(5)
TPIC/DIC - 2018/19 Repayment	34	34
Balance c/fwd 31st Mar 2019	315	298
<u>Outstanding Commitments:</u>		
Green Waste strategy	(30)	(24)
HS2 Project Officer	(10)	(9)
TPIC/DIC – Repayment (future years)	43	43
Uncommitted Balance	318	308

6.5 **Other Earmarked Reserves** - these reserves are held for specific purposes. The total balance on these reserves increased by £0.5m over the revised forecast for the financial year 2018/19. The most significant changes include:

- ◆ Vehicle & Plant - £115k above the revised forecast due to reduced expenditure.
- ◆ Property Repairs - £140k below the revised forecast due to higher levels of spend
- ◆ DSO/DLO - £216k above the revised estimate due to slippage on spend on equipment and development of the service
- ◆ Retained Business Rates - £160k additional contributions in 2018/19 to meet anticipated deficits in business rate income in 2020/21
- ◆ Budget Risk Reserve – additional £395k from 2018/19 General Fund surplus

6.6 Provisions

a) Transport Company Pensions Provision – this provision has been established to cover the Council's future liabilities for pension costs relating to employees of the former Transport Company. The provision was reviewed in April 2017 by the County Council's pension fund actuary who recommended increasing the provision by £300k to £1.2m by March 2020. The provision will be increased by £40k per annum for the next 3 years to achieve this.

- b) Insurance Provision – A review of the insurance provision and reserves was undertaken in 2016 and the changes required were implemented as part of the budget setting process in February 2017.
 - c) MMI Claw-back Provision – this is the amount set aside to cover reported claims.
- 6.7 The General Fund surplus is normally transferred to the Budget Risk Reserve. For 2018/19 a surplus of £395k would be transferred to this reserve.
- 6.8 It is important for Members to appreciate that many of the reserves and provisions are earmarked for specific purposes. The Funds should not, therefore, be regarded as being available for general use. An additional consideration is the fact that the Council receives interest from the reserves and provisions, which is used to support the Council's revenue budget.

7.0 Capital Expenditure & Financing

- 7.1 **Appendix D** provides details of the total General Fund Capital Programme expenditure and financing for the year.
- 7.2 Actual expenditure on schemes was £8.0m compared with the original budget for the year of £10.0m (as at Feb 2018) and £11.1m at the revised budget stage (February 2019). The main reasons for the variance from the revised budget (-£3.1m) include:
- Overspends on:
 - Northern Gateway Enterprise Centre (£100K), Beetwell Street MSCP (£113k) and Artificial Sports Pitches (£71k) – phasing of the budgets with more work up front than expected. Work on these schemes progressed more quickly than anticipated so spend was higher than budgets. This position will be reversed in 2019/20 as the remaining spend in 2019/20 will be lower than originally forecast.

- Underspends on:
 - Northern Gateway Multi Storey Car Park (£1.5m) – phasing of the budget with more work due in 2019/20 than expected
 - ICT Project (£378k) – delays in the programme meant that spend was lower than anticipated. This delayed spend will be incurred during 2019/20
 - Disabled Facilities Grants and Home Repairs Assistance Grants (£1.1m) – the underspends are committed and expected to be spent in 2019/20
 - Grant to Waterside (£256k) – the scheme is now completed
 - Barrow Hill Railway Bridge (£100k) – this scheme is now expected to commence in 2019/20

7.3 On the financing side, the main variances were:

- Reduction in capital grants (£2.6m) to reflect the reduction in expenditure
- Increased use of capital receipts to finance capital programme (£2.3m) in order to eliminate the need for borrowing (£3.0m) in 2018/19
- Capital receipts not utilised for repayment of prudential borrowing (£688k) as these have now been committed to finance the ICT Transformation Project in future years

8.0 Capital Receipts

8.1 The movement on useable capital receipts in the year is summarised in the table below. £1.8m of General Fund useable receipts were used in the year.

Table 6 - Useable Capital Receipts			
	Gen Fund £'000	Housing £'000	Total £'000
Balance b/fwd 1 st April	1,474	3,229*	4,703
Add: Receipts in the year	1,624	5,161	6,785
Less: Housing receipts 'Pooled'	-	(925)	(925)
Less: Applied to repay debt	-	-	-

Less: Applied to finance GF cap ex	(1,842)	-	(1,842)
Less: Applied to finance HRA cap ex	-	(3,466)	(3,466)
Balance c/fwd 31st March	1,256	3,999*	5,255

* The Housing balance of £3,999k relates to the retained 'one-for-one' element of RTB receipts.

8.2 The table below summarises the movements over the financial year. The actual amount achieved was on target with the revised budget:

Table 7 - General Fund Capital Receipts	
	Amount (£m)
Original Budget Forecast - start of year	2.3
Revised Budget Forecast - Feb 2019	1.6
Actual	1.6

8.3 The target receipts figure for 2019/20 is significant at £4.1m. One month into 2019/20 no capital receipts have yet been received so the target may be challenging to achieve in year due to the timings of property and land sales that can be difficult to accurately predict. A revised forecast will be produced at the end of Quarter 1.

9.0 Collection Fund Surpluses/Deficits

9.1 The Council is required to maintain a Collection Fund to account for expenditure and income relating to Council Tax (including the precepts of other authorities) and National Non Domestic Rates.

9.2 Surpluses or deficits relating to Council Tax are shared between Derbyshire County Council, Derbyshire Police Authority, the Fire Authority and the Borough Council in proportion to the precepts issued and the latter must be used to adjust the Council Tax. The outturn balance on the Council Tax elements of the Fund is a surplus of £898,131. A deficit of £27,135 was estimated when setting the Council Tax for 2018/19. The increase in the surplus was due to a change in the method of calculation of the Council Tax bad debt provision due to the

introduction of International Financial Reporting Standard (IFRS) 9 – Financial Instruments. The surplus will be carried forward to the tax calculation exercise for 2020/21. The Council's share of the increased surplus, at 10.04%, will be £92,897.

- 9.3 Business Rates – Surpluses or deficits relating to Business Rates are shared between Central Government, Derbyshire County Council, Derbyshire Fire Authority and the Borough Council in proportions laid down by Government. A deficit of £2,587,322 for 2018/19 was assumed in the calculation of business rate income, on the 2019/20 NNDR1 form. The outturn balance is a deficit of £2,106,441. This reduced deficit was due to a change in how we have calculated the Business Rates bad debt provision due to the introduction of IFRS 9 – Financial Instruments. The reduced deficit will be distributed in the income calculation for 2020/21. The Council's share is £240k (i.e. £480k x 50%).

10.0 Conclusions and Implications for the Medium Term

- 10.1 The medium term financial outlook becomes progressively challenging from 2020/21 onwards as the cumulative effect of cuts in Government funding (Revenue Support Grant and New Homes Bonus) are realised. The Cabinet budget forecasts approved in February 2019 show deficits (with planned savings in the early years) of:

- £0.8m in 2020/21;
- £1.1m in 2021/22;
- £1.2m in 2022/23; &
- £1.3m in 2023/24

A longer term Financial Strategy to balance the deficits will be developed in 2019/20.

- 10.2 The medium term forecast will be updated to reflect the impact of budget variances recorded in 2018/19 that could be of a

recurring nature. These will be included in the next budget monitoring report to the Cabinet.

10.3 The future forecasts include allowances for the most significant budget risks facing the Council but the final outcomes may be quite different, such as:

- The introduction of the Business Rates Retention Scheme in April 2013 transferred some significant financial risks to local government. The risks include the cost of backdated Business Rate appeals and the growth or decline in the Business Rate base due to re-valuations, claims for mandatory reliefs, etc. It is difficult to predict the net income due to the Council even for just one year ahead and this becomes even more difficult over a longer horizon.
- Delays in approvals and delivery of the required budget savings in future years.
- Inflationary pressures from pay, energy and our cost base.
- Any further unforeseen changes in Government policy
- The impact of the Fairer Funding review from 2020/21

10.4 The main conclusions to be drawn from this report are:

- A number of material variances occurred in 2018/19, both positive and negative. The Finance and Performance Board will continue to implement the budget monitoring and challenge process introduced in 2017/18.
- The Council has been able to balance the General Fund with a £395k surplus in 2018/19 in financially challenging times. However further savings need to be delivered to balance the budget in future years.
- The Council continues to be exposed to risks due to the wide range of services it provides and reliance on income from rents, fees and charges. Council Tax and Business Rates provide a limited and constrained opportunity for income growth. The Council is continuing to develop strategies to maintain and grow income.

- The working balance is being maintained at £1.5m. In addition, adequate balances are retained in other earmarked reserves and provisions. It is, however, important that strong financial discipline is maintained to ensure that reasonable balances are retained in these funds, by controlling their use and creating capacity within the revenue budget to be able to replenish them.
- In terms of the General Fund Capital Programme, the Council will in the coming months review its Capital and Treasury Management to manage the commitments for future capital investment e.g. (Northern Gateway Innovation Centre, IT/PPP investment and other capital schemes). These projects will need to be funded by identifying further capital receipts or PWLB borrowing (with borrowing costs falling on the General Fund) whilst monitoring the impact of these decisions on our exempt VAT recovery position.
- The Cabinet will receive regular updates on both the revenue and capital budgets to ensure that the financial risks are being effectively managed.

11.0 Recommendations

11.1 That Council notes the report on the General Fund Revenue and Capital Outturns for 2018/19.

12.0 Reason for Recommendations

12.1 In the interest of sound financial management.

Decision information

Key decision number	876
Wards affected	All
Links to Council Plan priorities	To be financially self sufficient

Document information

Report author	Contact number/email
Helen Fox Chief Accountant	helen.fox@chesterield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	
Appendix A	General Fund Outturn 2018/19
Appendix B	2018/19 Variance Analysis
Appendix C	General Fund Reserves & Provisions
Appendix D	General Fund Capital Programme
Appendix E	Carry Forward requests

GENERAL FUND OUTTURN 2018/19

	Original	Revised	Outturn	Variance
	£	£	£	Rev'd- Out £
<u>Per Lead Member reports:</u>				
Leader	55,850	37,480	47,897	10,417
Deputy Leader	1,223,910	1,198,950	1,198,650	(300)
Economic Growth	163,790	313,610	(5,025,796)	(5,339,406)
Town Centre & Visitor Economy	(374,650)	27,420	3,191,498	3,164,078
Health & Wellbeing	7,692,040	7,099,130	6,925,421	(173,709)
Homes & Customers	1,920,230	2,010,950	2,081,070	70,120
Governance	2,760,790	2,777,630	2,590,016	(187,614)
Business Transformation	507,190	383,420	357,311	(26,109)
Other:				
Other Income	0	(570)	(43,590)	(43,020)
Savings - 'Cease or Reduce' Programme	(25,000)	0	0	0
Transformation Projects	(25,000)	0	0	0
Staff vacancies allowance	(150,000)	0	0	0
Share of Internal Audit surplus	0	0	(17,081)	(17,081)
Share of Crematorium Surplus	(250,000)	(274,370)	(274,375)	(5)
Spirepride surplus	(559,910)	(559,910)	(598,674)	(38,764)
OSD Trading surplus	(255,240)	0	(265,954)	(265,954)
DSO (surplus)/deficit	0	0	13,385	13,385
Other incl bad debt provision	100,000	85,000	30,895	(54,105)
Total Service Expenditure	12,784,000	13,098,740	10,210,672	(2,888,068)
Interest & capital charges	(2,389,457)	(2,157,880)	465,956	2,623,836
Contributions from Digital Innovation Reserve	0	(31,245)	0	31,245
Contributions from Service Improvement Reserve	(57,610)	(63,530)	(57,428)	6,102
Contributions from Budget Risk Reserve	0	(40,000)	(63,390)	(23,390)
Contributions to Renewals Fund etc	106,000	106,000	115,660	9,660
To/from Reserves	(150,000)	(150,000)	(150,000)	0
DSO surplus/deficit to/from Reserves	0	0	7,304	7,304
Surplus/(Deficit) - to/(from) reserves	55,781	161,629	394,679	233,050

APPENDIX A

GENERAL FUND OUTTURN 2018/19

Financed By:			
RSG	0	0	0
Business Rates Baseline	4,104,263	4,104,263	4,104,263
Settlement Funding	4,104,263	4,104,263	4,104,263
Retained Business Rates Growth	2,027,498	2,193,347	2,400,131
Business rate growth returned to pilot	(830,185)	(117,717)	(164,762)
Council tax support grants to parishes	(33,071)	(33,071)	(33,071)
Council Tax Fund Surplus/(Deficit)	54,318	54,318	54,318
Business Rates Fund Surplus/(Deficit)	(288,036)	(288,036)	(288,036)
Contribution (to)/ from Business Rate reserve	252,391	(50,926)	(210,926)
New Homes Bonus	461,645	461,645	461,646
Council Tax	4,599,891	4,599,891	4,599,891
TOTAL FINANCING	10,348,714	10,923,714	10,923,454

BR Growth Retention:			
Growth rate			
CBC 40% share of income	18,114,220	18,114,220	18,114,220
Less tariff	(13,733,487)	(13,738,492)	(13,738,492)
Add s31 grants	1,625,969	1,710,101	1,845,195
Gross income before levy	6,006,702	6,085,829	6,220,923
Less Baseline Funding	(4,104,263)	(4,104,263)	(4,104,263)
Growth	1,902,439	1,981,566	2,116,660
Levy (NB 50% on nndr3 not nndr 1)	0	0	0
Adjs to Levy & Tariff	(314,726)	(334,530)	(334,530)
Levy Account surplus	0	50,926	50,926
S31 Grant 2017/18	0	30,387	60,774
Retained BR re renewable energy	30,430	49,880	49,882
Grant re Multiplier Cap	409,355	415,118	456,419
BR Growth Retained above Baseline	2,027,498	2,193,347	2,400,131
Add Baseline Funding	4,104,263	4,104,263	4,104,263
Total BR Income Retained	6,131,761	6,297,610	6,504,394

2018/19 VARIANCE ANALYSIS – REVISED BUDGET TO OUTTURN		
Surplus Revised Budget		162
Surplus Outturn		395
Variance		233
<u>Outturn Savings - increased income:</u>		
OSD Surplus	266	
Spirepride Surplus	39	
Internal Audit Surplus	17	
Leisure Facilities HLC	24	
Other Grant Income	43	389
<u>Outturn Saving - reduced expenditure:</u>		
Carry Forward Requests (4.6 & Appendix E)		128
<u>Outturn Overspends - reduced income:</u>		
Pavement Shopping Centre	(85)	
Leisure Facilities QPSC	(16)	
Planning Fees (*)	(9)	(110)
<u>Outturn Overspends - increased expenditure:</u>		
Leisure Facilities QPSC	(49)	
Leisure Facilities HLC	(93)	
Building Cleaning Deficit	(21)	(163)
Net of all other variances		(11)
Movement in Surplus		233

(* Due to the introduction of IFRS15 – Revenue from Contracts with Customers, £158k of planning fee income has been transferred into 2019/20)

APPENDIX C

GENERAL FUND RESERVES AND PROVISIONS 2018/19

9001 code	Purpose	Bal at start of year £'000	Revised Bud Est £'000	Bal at end of year £'000
3240	Vehicles and Plant	766	525	640
	Wheelie Bin Replacements	76	80	57
3241	Property Repairs	354	365	225
3395	DSO/DLO	576	349	565
3263	Museum Exhibits	25	25	25
3264	Planning LDF Review	236	186	187
3265	Flooding Restoration Fund	53	-	53
3378	MMI Clawback Reserve	366	336	366
3380	ICT	67	-	218
3390	Insurance - claims not yet reported	597	597	597
3418	Theatre Restoration	367	31	-
3372	Repaid Improvement Grants	222	297	184
3399	Retained Business Rates	1,937	1,988	2,148
3419	General Fund Deficit Reduction	257	107	107
3243	Northern Gateway	280	200	280
3353	Community Infrastructure Levy	734	884	769
3354	S106 Contributions	254	231	258
3429	ICT Digital Innovation	596	675	706
3430	Service Redesign	750	750	750
	Earmarked Reserves	8,513	7,626	8,135
3388	Budget Risk	683	567	1,240
3389	Invest to Save	31	-	-
3412	Service Improvement	339	298	315
	Reserves Total	9,566	8,491	9,690
3237/8	Insurance - reported claims	735	735	807
3247	MMI Claw-back	17	7	16
3239	Transport Co. Pensions	1,008	1,022	1,025
	Provisions Total	1,760	1,764	1,848
	Reserves & Provisions Total	11,326	10,255	11,538

GENERAL FUND CAPITAL PROGRAMME 2018/19

	Original £'000	Revised £'000	Actual £'000	Variance Rev to Act £'000
<u>CAPITAL EXPENDITURE:</u>				
Home Repairs Assistance	275	317	108	(209)
Disabled Facilities Grants	946	1,654	778	(876)
Town Hall Alterations (GPGS)	636	1,020	932	(88)
Town Hall Alterations – CCTV (GPGS)	0	191	194	3
Grant to Chesterfield Waterside Ltd	0	493	237	(256)
Northern Gateway – Saltergate MSCP	5,725	5,117	3,641	(1,476)
Northern Gateway – Public Realm	800	75	65	(10)
Northern Gateway – Enterprise Centre	0	0	100	100
Peak Resort	0	143	143	0
Beetwell Street Car Park	324	0	113	113
IT Project	0	761	383	(378)
Whitecotes Park Play Area	0	57	65	8
Holland Road Play Area	0	70	0	(70)
King George V Play Area	0	50	49	(1)
Barrow Hill Railway Bridge	0	100	0	(100)
Kiosk Upgrades	0	14	13	(1)
Artificial Sports Pitches – Former QPSC Site	750	50	121	71
Winding Wheel Improvements	426	761	748	(13)
Tapton Terrace Flood Resilience Work	145	149	98	(51)
Somersall Park Play Area	0	48	56	8
Queen's Park Sports Centre - New Build	0	0	8	8
IT Strategy (from IT Reserve)	0	0	182	182
Vehicles and Plant (from V&P Reserve)	0	0	15	15
Grand Total	10,027	11,070	8,049	(3,021)

	Original	Revised	Actual	Variance
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	£'000	£'000	£'000	Rev to Act £'000
<u>CAPITAL FINANCING</u>				
Borrowing: Saltergate	3,000	3,000	0	(3,000)
Borrowing: General	662	0	0	0
Grants & Contributions - see below	3,546	7,864	5,313	(2,551)
Capital Receipts	2,288	1,600	1,624	24
ICT Reserve	0	0	15	15
Vehicle & Plant Reserve	0	191	376	185
Theatre Restoration Fund	426	426	463	37
Flood Reserve	16	16	0	(16)
Budget Risk Reserve	0	14	13	(1)
S106 Contributions	0	23	27	4
Home Repairs Reserve (Repaid Improvement Grants)	75	0	0	0
Repay Prudential Borrowing	(688)	0	0	0
Total resources available in year	9,325	13,134	7,831	(5,303)
Less total expenditure in year	10,027	11,070	8,049	
Net in-year surplus / (deficit)	(702)	2,064	(218)	
Surplus / (deficit) b/f from prev yr	702	1,473	1,474	
Cum surplus / (deficit) c/f	0	3,537	1,256	

	Original £'000	Revised £'000	Actual £'000	Variance Rev to Act £'000
<u>CAPITAL GRANTS etc:</u>				
Flood Risk Management Grant - EA	129	134	98	(36)
Disabled Facilities Grants (CLG/PCT)	1,221	2,046	883	(1,163)
Home Repairs Assistance (FILT / SSE)	10	10	3	(7)
Somersall Park (Viridor/Friends of Somersall Park)	0	25	36	11
Whitecotes Park Play Area – (Viridor/Friends of Whitecotes Park)	0	57	58	(1)
King George V Play Area – (Viridor)	0	50	49	(1)
SCRIF – Waterside	0	493	237	(256)
SCRIF – Peak Resorts	0	143	143	0
SCRIF – Northern Gateway	2,186	4,906	3,806	(1,100)
Grants Total	3,546	7,864	5,313	(2,551)

Appendix E

2018/19 BUDGET CARRY FORWARD REQUEST FORM

Description	Carry forward £25,000 for corporate training
Reported to Members	
Corporate, cross-cutting (community safety, equality, etc) and service priorities	Corporate
Mandatory / discretionary	
Revenue Implications One-off or on-going	One off
Savings identified elsewhere	
Partnership opportunities	
Grants and joint financing opportunities	
Charging policy	
Consultation undertaken	
Affect on other services	Mandatory Health & Safety training still outstanding from 2018/19 e.g. Asbestos training, CPC driver training etc. failure to deliver these course could result in non-compliance or Health & Safety accidents and incidents
Implications if not approved	Non compliance The undelivered mandatory training will have to be paid for from this year's budget An on-going cycle of catching up and firefighting especially within OSD and Environmental Services instead of mandatory training plus development training to increase efficiency and provide for succession planning.
Suggested performance targets/indicators	A new management information system. Robust auditing of training requests through to delivery & payment. Quarterly updates on spending targets to ensure that the budget is fully utilised
Other Comments:	Due to the delayed timescales last year (September start) a proportion of the mandatory training was not delivered in the financial year – hence the under-spend. However, this training still needs to be delivered in this financial year. We will have the ongoing requirements of the learning needs analysis from the 2019/20 PDRs plus a programme of development training to meet the council's vision for the coming year.

2018/19 BUDGET CARRY FORWARD REQUEST FORM

Description	Markets (0100) Advertising 4415 £2,600
Reported to Members	Cllr Steve Brunt approved.
Corporate, cross-cutting (community safety, equality, etc) and service priorities	Funding for promoting the move of the car boot sale from the Proact Stadium to a town centre location.
Mandatory / discretionary	Discretionary
Revenue Implications One-off or on-going	One-off
Savings identified elsewhere	Increase in number of people standing and increase in visitors leading to an increase in the visitor economy.
Partnership opportunities	None
Grants and joint financing opportunities	N/A
Charging policy	£10 per vehicle, large vans extra
Consultation undertaken	N/A
Affect on other services	N/A
Implications if not approved	The grounds for taking the car boot back under the council were only met in February 2019 and the process will take approximately 8 weeks to complete. As a consequence, the car boot will need to be advertised in April/May and funding for this unforeseen situation was not recognised when initial budgets were set. Without the carryover of this money, the 2019/20 budget for markets advertising would be underfunded.
Other Comments:	

For publication

Quarter 1 Budget Monitoring 2019/20 & Updated Medium Term Financial Plan

Meeting:	Council
Date:	17 th July 2019
Cabinet Portfolio	Deputy Leader
Report by:	Acting Chief Finance Officer

For publication

1.0 Purpose of report

- 1.1 To provide the Council with an update on the budget position at the end of quarter 1, covering:
- General Fund Revenue
 - General Fund Capital Programme
 - Housing Revenue Account
- 1.2 To meet the requirement in the Financial Procedure Rules to provide the Council with regular updates on the Council's financial position.

2.0 Recommendations

- 2.1 To note the financial performance in the first quarter of the financial year and the new medium term forecast (Sections 4 and 8).

- 2.2 That the changes to the medium term forecast outlined in Section 4 are approved.
- 2.3 That the growth request outlined in paragraph 4.3 is approved.
- 2.4 To note the reserves position (Section 5).
- 2.5 To note the updated capital programme outlined in section 7.
- 2.6 That the additions to the capital programme detailed in paragraph 7.2 are approved.
- 2.7 That the financing of the capital programme detailed in paragraph 7.3 is approved.
- 2.8 To note the position on HRA budgets (Section 8).

3.0 Background

- 3.1 The Council approved the original budget for 2019/20 on 27th February 2019. The Band 'D' Council Tax was set at £164.89. The forecast budget for 2019/20 was a deficit of £202k.
- 3.2 All of the indications are that the medium term outlook will continue to be challenging. The Medium Term forecast approved by the Council on 27th February 2019 showed increasing deficits of £803k in 2020/21 rising to £1.3m by 2023/24.
- 3.3 This report and its recommendations are due to be considered by the Cabinet at its meeting on 16 July, 2019.

4.0 Current Year's Budget

- 4.1 We started the year with a forecast deficit of **£202k**. At the end of the first quarter, known variances have produced an

anticipated deficit forecast of **£203k**. A summary of the key variances is provided in the table below:

2019/20 UPDATED BUDGET FORECAST - TO QUARTER 1		
Deficit Forecast at the start of the year		202
<u>Budget Saving - increased income:</u>		
OSD Trading Surplus (Adjusted for Latest Business Plan)	(82)	
Business Rates S31 and Admin Grant	(79)	
Town Hall Rental Income - Housing Services	(35)	(196)
<u>Budget Saving - reduced expenditure:</u>		
Contribution from HRA - Grants to Voluntary Organisations (Approved 2018/19)	(80)	
Private Sector Housing - Staffing Capitalised	(60)	
Cost of Collection - Court Fees	(20)	(160)
<u>Budget Increase - reduced income:</u>		
Spirepride Trading Surplus (Adjusted for Latest Business Plan)	86	
Investment Income	60	
Open Market - Rents (Forecast to year end)	40	
Saltergate MSCP - Revised opening date	31	
Town Hall Rental Income - Delays in arrival of Coroners Court	24	
Legal Fees - Sale of Poolsbrook completed in 2018/19	10	251
<u>Budget Increase - increased expenditure:</u>		
Tapton House - Security Costs and Utilities	52	
Legal Services - staffing	11	
NHS Procurement Contract	11	
Civil Parking Enforcement - 2018/19 deficit	8	82
Other Miscellaneous Movements		24
Updated Deficit Forecast		203

4.2 Changes to Approved Budgets

4.2.1 Tapton House – ongoing revenue costs for security, maintenance and running costs have been included in the forecast for 2019/20. Other remediation work is required but should be met from the dilapidations contribution from the outgoing tenant.

4.2.2 The reduction in the Spirepride surplus is due to increases in staffing costs following the 2 year pay deal which took effect from the 1st April 2018 and internal recharges. The service is currently focusing on identifying actions to recover this position.

4.2.3 ICT savings delivery – the savings target for 2019/20 is £227k. At quarter 1, £207k of this saving has been achieved.

4.2.4 Interest rates earned on investments have fallen during 2019/20. It is expected that this position will improve in future years when uncertainty regarding Brexit has receded.

4.2.5 Rental income from Markets continues to fall below target. If this current trend continues there will be a shortfall of £40k for the year.

4.2.6 An assessment of underspends identified in 2018/19 has been made with any variances of a recurring nature being built into the updated medium term forecast.

4.3 Growth Requests

4.3.1 A growth request has been received for a car park barrier at Dunston Innovation Centre for £15,000. Further details are included at Appendix A. If approved, it is proposed to fund the growth request through a one-off payment from the Budget Risk Reserve.

5.0 Reserves

5.1 In addition to the General Working Balance, which is maintained at £1.5m, the Council operates a number of other reserves. Many of the reserves are earmarked and committed for specific purposes, such as property repairs and vehicle & plant replacements. There are two major reserves where the Council has wider discretion on how they are used – the Budget Risk Reserve and the Service Improvement Reserve.

5.2 **Budget Risk Reserve** – the Council maintains this reserve as a supplement to the Working Balance. It is also used to finance the severance costs arising from voluntary staffing reductions and the outcomes of service restructuring exercises. The table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve.

Budget Risk Reserve	Updated Forecast £'000
Balance b/fwd 1st April	1,240
Less Approved Commitments:	
18/19 carry forward – Generation of capital receipts	(100)
Health & Safety training	(25)
Relocation of car boot sale	(3)
D2N2 – enterprise advisor network	(5)
Feasibility study – Peak Resorts	(22)
Extend Industrial portfolio	(20)
IDOX – reimbursement	9
Uncommitted Balance	1,074

5.3 **Service Improvement Reserve** – The table below shows the opening balance in the reserve at the start of the financial year and the currently approved or anticipated movements on the reserve.

Service Improvement Reserve	Updated Forecast £'000
Balance b/fwd 1st April	315
TPIC/DIC - Reimbursement	43
Uncommitted Balance	358

5.4 The uncommitted balances in these two major reserves is £1.432m. There will be significant demands on these reserves to fund budget deficits, investment in transformation projects and to pay for severance costs from staffing restructures. The Cabinet should, therefore, continually review the commitments against these finite financial resources to ensure that they are used in the most effective way.

6.0 Medium Term Outlook

6.1 The latest medium term forecast indicates increasing deficits in future years. The deficits beyond 2019/20 are challenging without officer and member plans to increase income and reduce costs. The Council has a number of savings and income generation opportunities:

- Strengthening how the Council procures supplies and services
- Making the right investments in property and in ICT to achieve economies and efficiencies
- Tighter cost controls to avoid overspends
- Increased focused on hitting and exceeding income targets; particularly at our sports centres and cultural venues
- Generating more funding through business rates and new homes bonus
- Voluntary redundancy / voluntary early retirement

6.2 However, the Council also faces a number of costs pressures and uncertainties around budgets including:

- Inflation on pay and non-pay costs

- Retendering of refuse collection contract
- Business Rate appeals
- Declining rents particularly across our retail portfolio
- Resourcing (staffing and resource) demands to deliver services
- Government policy changes
- Loss of New Homes Bonus and Revenue Support Grant
- Lower interest rates on investments
- Continuing uncertainty around Brexit

6.3 The table below compares the latest forecast with the original budget forecast:-

	Budget Forecasts				
	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
February 2019 budget Deficit / (Surplus)	202	803	1,125	1,196	1,311
Increase / (Decrease) Quarter 1	1	44	(4)	0	6
Latest Forecasted Deficit / (Surplus) Quarter 1	203	847	1,121	1,196	1,317
Transformation Projects - Savings to be Achieved	20	17	374	605	795
Latest Savings Requirement	223	864	1,495	1,801	2,112

7.0 General Fund Capital Programme

7.1 **Capital Receipts** - To date, £100k of capital receipts have been received during 2019/20. The original forecast for the year was £4.1m and included the capital receipts for land at Poolsbrook and Whitebank Close, and the first payment in respect of the land at Linacre. The current forecast of capital receipts for the year is £4.6m, the increase is due to re-profiling of capital receipts that were expected in 2018/19. Further large capital receipts need to be identified by the Council beyond 2019/20 when the 'pipeline' declines, otherwise the Council's borrowing

will increase to fund further capital projects, putting more pressure on the General Fund deficits.

7.2 General Fund Capital Spend –the original capital budget for 2019/20 was £8.5m, the revised position now stands at £14.0m (see appendix B for details). This includes £3.0m in respect of slippage from the 2018/19 capital programme. The other major differences in the capital programme are:

- Inclusion of Revitalising the Heart of Chesterfield expenditure (£1.4m), of which 75% is to be funded from a successful grant bid from the Derby & Derbyshire Business Rate Growth Fund;
- Purchase of new car parking machines for Beetwell Street, Soresby Street and Rose Hill car parks (£240k);
- Purchase of land in Spire Neighbourhood (£240k);
- Additional Disabled Facilities Grants (£500k), fully funded from the Better Care Fund grant;
- Inclusion of essential underpinning works to Tapton House (£50k)
- Inclusion of £20k for surveys in respect of the feasibility of building new industrial units at Calow Lane.

7.3 Net Capital Financing – The original 2019/20 capital programme assumed a break even position and was approved by Council on 27th February 2019. The 2018/19 capital programme included borrowing for Saltergate MSCP of £3m, however due to slippage in the wider capital programme this was deferred and will now be required in 2019/20. Total borrowing of £4.7m is required in 2019/20 and £120k in 2020/21 to fund Saltergate MSCP (£3m) and the increased capital programme. Repayment of prudential borrowing in respect of the Town Hall Restack has been deferred in order to utilise the capital receipts flexibility in respect of the IT Project and to fund the increased capital programme. An updated capital programme will be reported to members in October 2019.

8.0 Housing Revenue Account (HRA)

8.1 Housing Revenue - Rental income is slightly ahead of target due to void losses being less than forecast. The main expenditure items are on target, except for Housing Repairs where an increase in Responsive and Change of Tenancy orders has led to an overspend. The Repairs budget will be carefully monitored over the coming months to see if this trend continues.

8.2 Housing Capital Programme - At the end of month 2 there was an underspend of £217k on the Housing Capital Programme. The programme for 2019/20 (budget of £26.5 million) is due to be reviewed shortly and any proposed revisions will be presented to a future Cabinet meeting.

8.3 HRA Business Plan - The 30 Year HRA Business Plan is due to be reviewed shortly to account for changes since the last version was presented to Cabinet. This includes accounting for underspends in 2018/19, approved revenue carry forwards, right to buy sales, changes to the capital programme and reviewing the assumptions made in respect of bad debts, voids, inflation rates etc. The revised Business Plan will be presented to Cabinet at a future date.

9.0 Risk Management

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

10.0 Legal Considerations

- 10.1 There is a legal requirement for the Council to set a balanced budget before the start of each financial year and for the Chief Finance Officer to report on the robustness of the estimates and the adequacy of the reserves. Clearly, there is a lot of work to be done over the coming months to be in a position to set a balanced budget for 2020/21 in February 2020.

11.0 Conclusions

- 11.1 Work continues to identify savings and to raise income. Already officers are working on procurement savings, efficiency savings, cost control etc. We are still facing a budget deficit in the next financial year and some major financial challenges in the years ahead. Officers and members will have to agree plans to reduce the deficits as under the Local Government Act 2012 the Council must produce a balanced budget. Decisions on where costs/services have to be managed, investment focused/reduced and income raised will be required to formulate medium term plans. At the same time there are a number of risks that could add further pressure to the forecast deficits in future years e.g. Business Rates income, Universal Credit, retail rents, inflation, staffing resource and the economy (Brexit).

12.0 Recommendations

- 12.1 To note the financial performance in the first quarter of the financial year and the new medium term forecast (Sections 4 and 8).
- 12.2 That the changes to the medium term forecast outlined in Section 4 are approved.
- 12.3 That the growth request outlined in paragraph 4.3 is approved.

- 12.4 To note the reserves position (Section 5).
- 12.5 To note the updated capital programme outlined in section 7.
- 12.6 That the additions to the capital programme detailed in paragraph 7.2 are approved.
- 12.7 That the financing of the capital programme detailed in paragraph 7.3 is approved.
- 12.8 To note the position on HRA budgets (Section 8).

13 Reasons for recommendations

- 13.1 To actively manage the Council’s finances in the current financial year and forecast forward the emerging budget position to future financial years.

Decision information

Key decision number	881
Wards affected	All
Links to Council Plan priorities	To become financially self-sufficient

Document information

Report author	Contact number/email
Helen Fox	Ext. 345452
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	
Appendix A	Growth Request
Appendix B	Revised Capital Programme

Growth Block (delete as appropriate)	One-off		
Brief Description	<p>One off increase to Security Budget (cc4271 0079) from £3,330 to £18,330 to fund the installation of a parking barrier.</p> <p>A barrier is required at Dunston Innovation Centre to limit access to the car park to authorised personnel and visitors only.</p> <p>There is presently no restriction and as the surrounding technology park has become busier employees from neighbouring businesses increasingly use the Innovation Centre’s car park meaning that Innovation Centre tenants and conference delegates occasionally struggle to find a parking space.</p> <p>Verbal complaints have been received from tenants and the management are concerned of the negative impact this could have on occupancy, free parking is a key selling point for the building.</p> <p>In addition, we are reaching a point where Dunston Innovation Centre will have tenants for wo large rooms and we need to ensure that we have sufficient car parking spaces to service the tenancies.</p> <p>Having a barrier would also alleviate the other problem of antisocial behaviour in the car park in the evening. The car park is often accessed by groups of youths in their cars at night time, whilst there is no criminal activity just their presence can be intimidating for anyone working at the centres in the evening. Littering by these groups is also a problem. Increased night patrols by security have been arranged to help tackle the issue but a barrier would alleviate the necessity.</p>		
Discretionary			
Links to the Council's Corporate Plan Priorities	<p>Priority – Making Chesterfield a thriving borough</p> <p>Objective– A great place to live, work and visit</p>		
Consultation undertaken to support the request	<p>Kier have been consulted and after a brief initial survey have given a £12,000 budget estimate plus</p>		

	<p>8% for their fees for the work required. Three quotes would need to be obtained upon approval of funding.</p> <p>Senior Managers Lynda Sharp and Neil Johnson have also been consulted and are in support of the request.</p>			
Equalities outcomes				
Impact on performance targets/indicators	<p>Target occupancy for Dunston Innovation Centre is 80%, the centre is currently operating at 83%. Leases on two large rooms are currently being negotiated so the likelihood that they will be let within the next month or two months is high. With these rooms occupied occupancy will rise to 94% each of these businesses will employ around 10 people all of whom will expect to be able to park without difficulty at their new place of work.</p> <p>Just one of these offices presents an annual rental income of £20,000.</p> <p>Furthermore, income from conferencing at Dunston is approx. £30,000 p/a, conference hirers book the venue on the basis that free parking for their delegates will be available.</p>			
Budget Implications:	2019/20 £	2020/21 £	2021/22 £	Future years (£)
Growth request amount	15,000			
Revenue savings (invest to save bids only)				
Risk management considerations if approved	<p>Tapton Innovation Centre already has a barrier with Intercom to the main admin office and this works well.</p> <p>Service costs for the barrier system at Tapton are in the region of £550 p/a which covers two maintenance visits per year plus any additional parts so the same ongoing costs should be budgeted for Dunston.</p> <p>Availability of parking would allow us to continue attracting and supporting new businesses as is the purpose of the building - a 10% increase in occupancy would result in increased rental income of £39,600 p/a</p>			
Risk management considerations if <u>not</u> approved	<p>The main risk as outlined above would be loss of income from conferencing and office occupancy if we are unable to accommodate tenants and conference delegates in the car park.</p> <p>Using the above example a 10% decline in occupancy would result in a reduction of income of £39,600p/a</p>			

Other Comments	<p>This is a problem which is likely to worsen in the near future as the top floor of Venture House has now been let to BT Pension Scheme, they are relocating personnel there but do not have adequate parking. They have already approached the manager to ask if their employees can park at Dunston or rent spaces. This has been declined but because there is no restriction to the car park some people are already parking without permission.</p>
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For publication

Risk Management Strategy and Annual Review

Meeting:	Council
Date:	17 th July 2019
Cabinet Portfolio	Cabinet Member for 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 2018/19 and to update the Risk Management Policy, Strategy and the Corporate Risk Registers for 2019/20.

2.0 Recommendation

- 2.1 To approve the Risk Management Policy, Strategy and the Corporate Risk Register for 2019/20.

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 is due to be considered by the Standards and Audit Committee meeting on 17th July, 2019, where it is recommended that the Committee notes the progress made on developing the Council's approach to risk management during 2018/19 and recommends approval of the Risk Management Policy, Strategy and the Corporate Risk Register for 2019/20 to full Council.

4.0 Annual Insurance Review 2018/19

- 4.1 The Council has numerous revised insurance lots and insurance providers appointed across all policies which became active on the 1st October 2017.
- 4.2 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.
- 4.3 The tender process completed in 2017/18 enabled the Council to:-
- Achieve an annual savings of £187k per annum
 - Maintain existing levels of cover / excesses and in some area 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 2019/20 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 2019/20 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 2019/20 is shown in Appendix B and the detailed Corporate Risk Register is shown in Appendix C.

6.3 The challenge for 2019/20 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. Note: resourcing (staffing) is a continued constraint for a number of services
CR4 - Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.
CR9 - Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money. Note: The Veolia waste services contract renewal will be a key procurement in 2019
CR 15 – Non-Housing Maintenance Programme & Funding i.e. funding and delivering the backlog in investment needed across our estate

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 2018/19 were as follows:

Description	£
Balance b/fwd April 2018	5,000
Add contribution for the year	5,000
<u>Less expenditure/commitments:</u>	
Transfer to Budget Risk Reserve	(5,000)
Balance c/fwd at 31 st March 2019	5,000

8.2 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 To approve the Risk Management Policy, Strategy and Corporate Risk Register for 2018/19.

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	884
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)

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Chesterfield Borough Council

Risk Management Strategy

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

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Risk Management Strategy

1. Introduction

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

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

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

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

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

1.1 Purpose and objectives of the Strategy

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

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

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

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

1.2 The Scope of Risk Management

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

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

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

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

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

1.3 Risk Management Definitions

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

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

1.4 What is risk management?

Risk can be defined as ***“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 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. 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, 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;

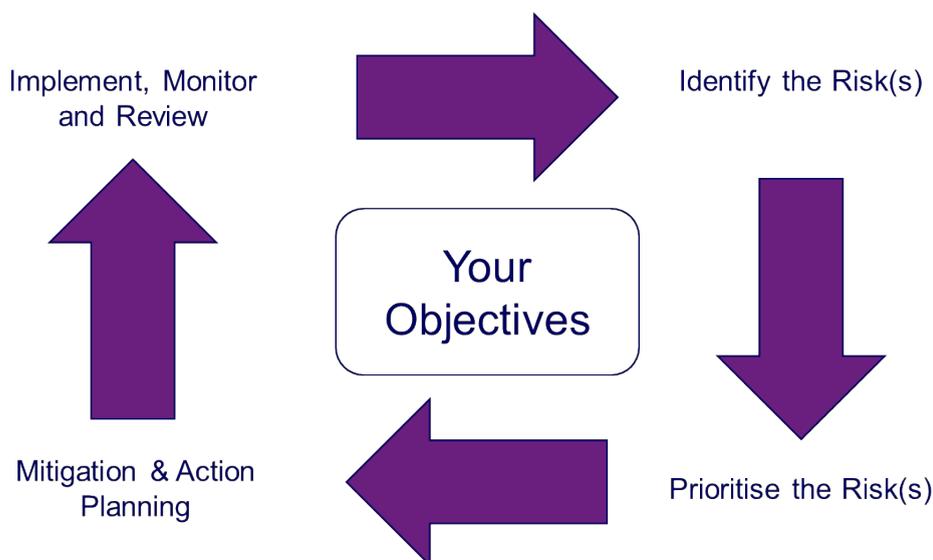
RISK MANAGEMENT POLICY & STRATEGY

Corporate Risk Management Group (CRMG)	<ul style="list-style-type: none"> ▪ Meet (4 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.



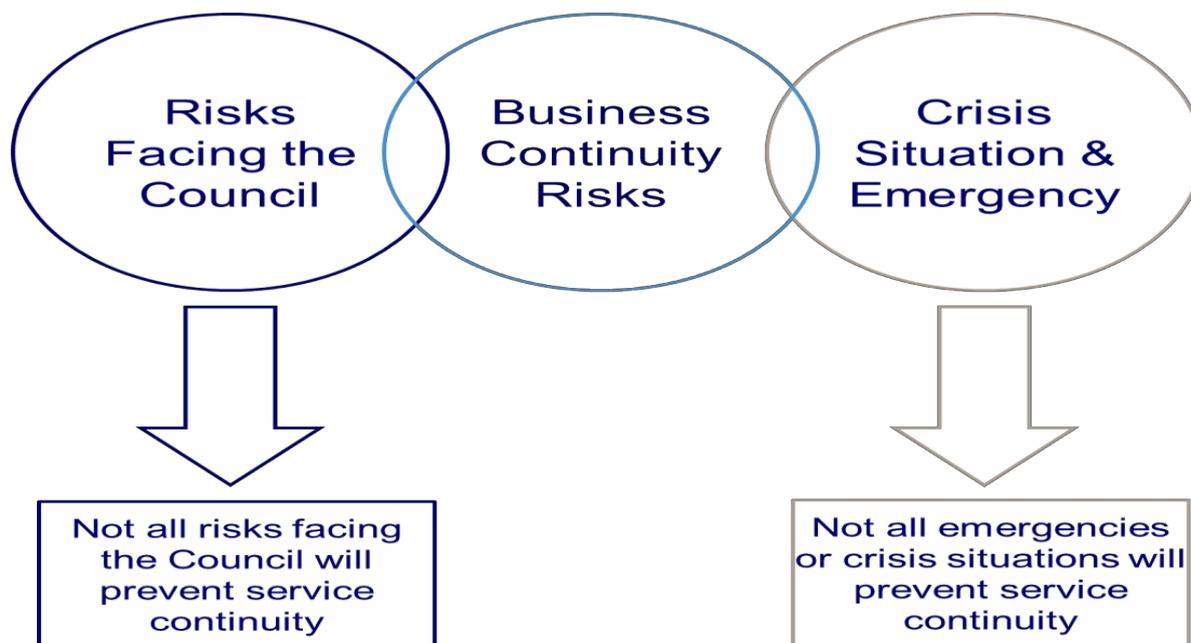
Having identified a risk there are four basic choices about how to deal with it – the 4T's:

- **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	Customers Commissioning and Change Manager (Rachel O'Neil) Cabinet Member for Business Transformation	Housing Manager (Liz Cook) Cabinet Member for Housing	Economic Growth Manager (Neil Johnson) Leader & Cabinet Member for Regeneration / Cabinet Member for Town Centre & Visitor Economy	Commercial Services Manager (Michael Brymer) Leader & Cabinet Member for Regeneration / Cabinet Member for Housing	Health and Wellbeing Manager (Ian Waller) Cabinet Member for Health and Wellbeing	Policy and Communications Manager (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 & 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					

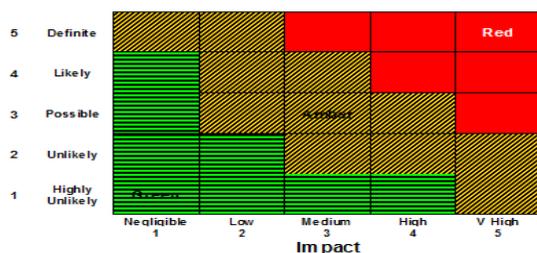


APPENDIX B – RISK MATRIX AND REGISTER

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 Council's 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	Customers, Commissioning and Change Manager	Customers, Commissioning & Change Risk Lead
Member	Liz Cook	Housing Manager	Housing Risk Lead
Member	Neil Johnson	Economic Growth Manager	Economic Growth Risk Lead
Member	Michael Brymer	Commercial Services Manager	Commercial Services Risk Lead
Member	Ian Waller	Health and Wellbeing Manager	Health & Wellbeing Risk Lead
Member	Donna Reddish	Policy and Communications Manager	Policy & Comms. Risk Lead
Member	Cllr Sharon Blank	Cabinet Member for Governance	Independent
Attendee	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	Karen Ludditt	Group Financial 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 January 2019



Risk Reference		Risk Rating (Maximum Score = 25)		
		Start of Year	Current	Target
CR1	Having a Sustainable Medium Term Financial Plan - the ability to deliver priority services with the resources available.	15	15	15
CR2	Transformation / Change Management - managing change effectively to deliver the required transformational changes and savings.	12	12	8
CR3	Workforce - to ensure that we have the right skills and capacity to deliver the Council's priorities.	9	12	6
CR4	Investment & development of the ICT infrastructure - to ensure that a modern, efficient and reliable infrastructure is in place to support service delivery.	9	16	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
CR8a	Information Governance - PSN compliance.	8	12	6
CR8b	Information Governance (Data Security) - to comply with the statutory and other requirements to ensure that the data we hold is held securely.	16	12	6
CR9	Procurement & Contract Management - to ensure that contracts are procured properly and deliver value for money.	12	15	12
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	12	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
CR15	Non-Housing Property Maintenance Programme & Funding.	12	16	12
CR16	Brexit	12	12	9

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For publication

Annual Report of Standards and Audit Committee

Meeting:	Council
Date:	17th July 2019
Cabinet portfolio:	Governance
Report by:	Chair of the Standards and Audit Committee, the Internal Audit Consortium Manager and the Local Government and Regulatory Law Manager

For publication

1.0 Purpose of report

- 1.1 To set out the work of the Standards and Audit Committee for 2018/19 in an annual report in line with best practice.

2.0 Recommendations

- 2.1 That Council approve the Annual Report of the Standards and Audit Committee.

3.0 Report details

- 3.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) in their guidance note "Audit Committees – Practical Guidance for Local Authorities", recommend that an Audit Committee should produce an annual report on their activity. The Standards and Audit Committee, after

a self - assessment of its effectiveness, agreed that the production of an Annual Report would help assess how the Committee was performing. It would also raise the profile of the Committee.

- 3.2 The Annual Report in Appendix 1 summarises the work of the Standards and Audit Committee for the financial year 2018/19.
- 3.3 This report is due to be considered by the Standards and Audit Committee at its meeting on 17th July, 2019 where it is recommended that the Annual Report be referred to Council for approval.

4 Alternative options and reasons for rejection

- 4.1 The report is for information.

5 Recommendations

- 5.1 That Council approve the annual report of the Standards and Audit Committee.

6 Reasons for recommendation

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

Decision information

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

Document information

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

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CHESTERFIELD
BOROUGH COUNCIL

STANDARDS AND AUDIT COMMITTEE

ANNUAL

REPORT

2018/19

Standards and Audit Committee

Chesterfield Borough Council

Annual Report 2018/19

1. Background

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) in their guidance note "Audit Committees – Practical Guidance for Local Authorities", recommend that an Audit Committee should produce an annual report on their activity.
- 1.2 Following a self- assessment the Standards and Audit Committee collectively agreed that it would be useful to produce an annual report as a means of assessing how the Committee is performing and raising the profile of the work of the Committee across the Council. This is the Committee's second annual report.
- 1.3 Audit Committees are widely recognised as a core component of effective governance, their key role is to independently oversee and assess the internal control environment, comprising governance, risk management and control and advise the Council on the adequacy and effectiveness of these arrangements. At Chesterfield Borough Council the statutory duty to promote and maintain high standards of conduct by members is also overseen by the Committee.
- 1.4 The Committee is responsible for: –
 - Promoting and maintaining high standards of conduct
 - Good governance
 - Internal Audit
 - External Audit
 - Risk Management

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

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

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

2. Membership and Meetings

- 2.1 The Standards and Audit Committee is composed of seven members, 5 councillors and 2 parish representative members (appointed by Brimington Parish Council and Staveley Town Council respectively). During 2018/19 these members were:-

Councillor Rayner (Chair)
 Councillor A Diouf (Vice-Chair)
 Councillor Caulfield
 Councillor Hollingworth
 Councillor Derbyshire
 Councillor Bean (Brimington)
 Councillor Tidd (Staveley)

- 2.2 The meetings are also attended by the Council's external auditor Mazars (previously KPMG).
- 2.3 During the 2018/19 financial year the Standards and Audit Committee met on 9 occasions (6 programmed meetings and 3 extraordinary meetings).

3. Standards and Audit Committee Business

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

- Received the annual internal audit report for 2017/18
- Approved the internal audit plan for 2018/19
- Received internal audit updates of progress against the audit plan for 2018/19
- Monitored the implementation of internal audit recommendations
- Received full copies of limited and inadequate internal audit assurance reports and requested managers to attend the Committee to provide an update on progress made against the recommendations
- Approved the revised Internal Audit Charter
- Considered external audit progress reports
- Reviewed and approved the Code of Corporate Governance and Annual Governance Statement
- Received an update on progress in the delivery of the 2017/18 Annual Governance Statement Action Plan
- Considered the results of CIPFA's Fraud and Corruption Survey 2018
- Approved the revised Anti- Fraud Bribery and Corruption Policy including Money Laundering
- Approved the revised Employee Code of Conduct
- Approved the annual report of the Standards and Audit Committee
- Approved the 2017/18 statement of accounts
- Considered the treasury management 2017/18 annual report and monitoring report 2018/19
- Approved the 2019/20 Treasury Management Strategy
- Considered the Risk Management Strategy and annual review
- Undertook a self -assessment of their own effectiveness against a best practice CIPFA framework
- Approved Constitution updates
- Noted a report on politically restricted posts

- Considered a report from the Information Assurance Manager in respect of National Audit Office Guidance on Cyber Security and Information Risk Guidance for Audit Committees
- Reviewed a report on and suggested changes to the unreasonable complaints policy
- Considered a complaint referred for determination against a Councillor
- Considered the Monitoring Officers annual report on the Standards of Conduct and adopted the revised hearing procedure

4. The Committee's Main Achievements / Outcomes

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

- 4.1 Invited senior managers and officers to account for services where financial or internal control weaknesses have been identified. This helps to ensure that agreed actions are moved forwards promptly thereby reducing risk.
- 4.2 Reviewed progress against the implementation of internal audit recommendations which has led to a vast improvement in the number of recommendations implemented and a corresponding improvement in the control framework.
- 4.3 Asked for a further audit in 2019/20 of a high risk area which will give the Council assurance that the issues have been addressed.
- 4.4 Reviewed the strategic risk register to ensure that risks are being appropriately mitigated thus providing additional assurance that risk is being managed appropriately.
- 4.5 Scrutinised the statement of accounts prior to approval thereby ensuring that they are an accurate reflection of the Council's finances.

- 4.6 Reviewed the Code of Corporate Governance and approved the Annual Governance Statement and monitored progress against the Annual Governance Statement action plan. This ensures that the Annual Governance Statement is a true and fair view of the Council's governance and risk management arrangements.
- 4.7 Considered a complaint raised for determination against a Councillor. This ensures that Standards are upheld in a transparent way.

5 Conclusion

- 5.1 In conclusion, the Committee has continued to make a positive contribution to the Council's overall governance and control arrangements, including risk management. It is recognised that the Council has continued to face severe financial challenge however it is essential that good governance is maintained.
- 5.2 The Committee will continue to support the Council in the year ahead. In particular, it will continue to support the work of internal and external audit to ensure that recommendations are implemented in a timely fashion.

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

For publication

Scrutiny Annual Report 2018/19

Meeting: Council

Date: 17 July 2019

Report by: Senior Democratic and Scrutiny Officer

For publication

1.0 **Purpose of report**

1.1 To present to council the Scrutiny Annual Report which details the work of the council's overview and scrutiny committees, and development of the overview and scrutiny function, during 2018/19.

1.2 To provide an outline of overview and scrutiny work programme plans for 2019/20.

2.0 **Recommendation**

2.1 That the Scrutiny Annual Report 2018/19 be approved.

3.0 **Background Information**

3.1 The scrutiny annual report is produced and presented to the council each year. This is the council's 14th scrutiny annual

report for submission to council, following approval by the Overview and Performance Scrutiny Forum on 4 July, 2019.

3.2 The provision of a scrutiny annual report is considered to be good practice and is a requirement of the Council's Code of Corporate Governance which is adopted to ensure effective operation of the council's functions.

3.3 **Scrutiny Annual Report**

3.4 The scrutiny annual report attached as Appendix A sets out the work, achievements and impact of the council's overview and scrutiny function during 2018/19. The annual report intends to :

- Give an overview of the effectiveness of the overview and scrutiny function and how it is developing;
- Evidence and provide a comprehensive record of the work of the overview and scrutiny committees;
- Promote the role and raise the profile of the statutory overview and scrutiny function and the work of the council's overview and scrutiny committees; and
- Provide an outline of the overview and scrutiny committees' work programme plans for 2019/20.

3.5 Council may wish to provide comments on the report to the Overview and Performance Scrutiny Forum.

4.0 **Recommendations**

4.1 That the Scrutiny Annual Report 2018/19 be approved.

5.0 **Reasons for recommendations**

- 6.0 To enable council oversight of the work and operation of its statutory overview and scrutiny function along with the function's effectiveness and contribution to the work of the council.

Decision information

Key decision number	Non key decision No 129
Wards affected	ALL
Links to Council Plan priorities	ALL

Document information

Report author	Contact number/email
Rachel Appleyard	rachel.appleyard@chesterfield.gov.uk Tel: (01246) 345277
Appendices to the report	
Appendix A	Scrutiny Annual Report 2018/19

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CHESTERFIELD
BOROUGH COUNCIL

SCRUTINY ANNUAL REPORT

2018/19

Contents:

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1 Overview and Scrutiny Committee Chairs' Foreword

At Chesterfield Borough Council, our Overview and Scrutiny function continues to be an active and integral part of the council's governance arrangements. During 2018/19, our scrutiny members have acted as a critical friend to the development and implementation of key council policies and provided robust challenge. This work has supported the council's vision of always putting our residents and customers first when we make decisions and deliver services.

Every year, changes to Government policy affect the council in new ways and over the past year this has influenced the work undertaken by scrutiny members. The roll out of Universal Credit has been closely monitored by the Community, Customer and Organisational Scrutiny Committee and will continue to be an important topic during 2019/20, helping to ensure that the transition is handled as smoothly as possible for those affected. The national increase in homelessness and rough sleepers has been a topic scrutinised by the Enterprise and Wellbeing Scrutiny Committee who reviewed the outcomes of the Night Shelter, an important initiative that gave over 100 people a safe place to sleep during the winter.

As a pre-decision scrutiny function, we are able to look into the near future at issues that will affect the next generation of Chesterfield Borough residents and workers. Two scrutiny projects were completed during 2018/19 that focussed on how we can maximise the potential that HS2 will bring and recommending ways to ensure that we are not just hitting the objectives in our Skills Action Plan, but exceeding them.

Scrutiny has an important role in monitoring how the Council uses its finances and a key area of inquiry for many topics has been exploring ways we can generate income and rationalise our assets. The reduction in funding from central Government means that local authorities need to be more innovative in identifying new income streams as well as reducing costs; scrutiny's role as a critical friend is vital to ensuring the needs of residents are represented and decision making is in line with council policy.

We continue to play an active role in the East Midlands Scrutiny Network and, earlier this year, welcomed the Network to our Town Hall where we made use of the Council Chamber and Committee Rooms to hold the meeting and group

workshops. The Network is a supportive group of officers and members involved in scrutiny across the East Midlands, and has provided the opportunity to share good practice and challenge performance, ensuring our scrutiny processes are robust and effective. Continuously improving our scrutiny function has also involved taking on board advice from the Centre for Public Scrutiny and, more recently, the new Government guidance on Overview and Scrutiny in Local Authorities following a review to which Chesterfield contributed evidence.

Our new Overview and Scrutiny work programme was launched in July, 2019 and has incorporated topics that are high in the public agenda both locally and nationally. These include how we can contribute to the national climate change agenda by being a more environmentally friendly council, seeking new ways to tackle health and wellbeing issues across the borough and monitoring the introduction of a new housing Allocations Policy and ICT systems.

We would like to take this opportunity to thank all the officers and members who have been involved in supporting and assisting in the overview and scrutiny process over the past year.



Councillor Kate Sarvent



Councillor Peter Innes

2 Comments from the Chief Executive

Congratulations! This is a great report that recaps another highly productive year for our Scrutiny Forum and Scrutiny Committees.

Under the council's 'stronger leader and cabinet model' there is always a risk that elected members feel a bit excluded from the action but not here at Chesterfield Borough Council. Cllrs Peter Innes and Kate Sarvent have ably led our Scrutiny members through what for me has been their best year yet – as exemplified in this excellent end of year report.

There was a time when the council's Scrutiny Committees took a more random approach to their work scheduling and often left what they should have been doing to focus on 'issues of the day'. I'm not saying that Scrutiny shouldn't delve into topical issues when they arise but the preparation now done with portfolio holders and senior officers to shape an annual work programme is for me a very sensible and worthwhile exercise. We know this because of the value that Scrutiny has added in 2018/2019 to the quality of council policy making and decision taking.

There is also an impressive breadth to the Forum and Committees' work and achievements. Forward Plans are scanned to enable timely pre-decision scrutiny; Scrutiny Project Groups established to progress in-depth reviews of contemporary issues such as HS2 and Skills; portfolio holders and senior officers constructively challenged on the council's key plans and budgets; and statutory roles and responsibilities effectively fulfilled on crime and disorder and at Sheffield City Region.

Part of my role is to receive the reports that the Scrutiny Forum signs off and allocate them to appropriate decision-making environments for review and response. It is always a pleasure to receive them; they are well written, well researched and provoke thought and action.

In addition to congratulating our Scrutiny Councillors for all their hard work and commitment through 2018/2019, I'd also like to place on record my thanks to Rachel Appleyard and the democratic and scrutiny services staff team for all their fantastic efforts in support of the council's Scrutiny Committees. It is a highly fruitful partnership between elected members and officers that stands the council in good stead for many years to come.



Dr Huw Bowen
Chief Executive

3 Overview and Scrutiny Committee work and achievements

The council's three overview and scrutiny committees, which are the **Overview and Performance Scrutiny Forum**, the **Enterprise and Wellbeing Scrutiny Committee** and the **Community, Customer and Organisational Scrutiny Committee**, have had yet another busy year during 2018/19.

The council's overview and scrutiny committees (OSCs) have undertaken scrutiny work as individual committees and have appointed scrutiny project groups (SPGs) which are informal working groups that undertake specific task and finish project work for scrutiny committee consideration.

Work undertaken by our council's OSCs during the municipal year 2018/19 is detailed throughout this report.

Pre-Decision Scrutiny

The council's approach is to support and enable good pre-decision scrutiny. Pre-decision scrutiny provides opportunity for scrutiny members to fully challenge and inform important decisions before they are made. It has a number of benefits for the council and communities in that;

- i. early, proactive involvement is likely to produce a better informed, better quality, more robust decision;
- ii. there is a lesser need to suspend decisions already made (ie, through the 'call-in' mechanism) when it can be too late and high risk to change anything;
- iii. it provides opportunity for wider member involvement in decision making followed by greater ownership and support for a decision;
- iv. it helps mitigate against, and minimises the chances of, things going wrong.

Pre-decision scrutiny usually needs time and opportunity for OSCs to get involved early. With good planning and access to information, OSCs will often appoint project groups to inform policy and service developments at the very early stages of planned work. This happens a long time before decision items are entered into the council's published Forward Plan of key decisions. Some examples of this from our 2018/19 work programme include our scrutiny project group work on the development of the former Queen's Park Sports Centre land and Skills which is detailed in this report.

The Forward Plan

A standing item on each scrutiny committee agenda is the council's Forward Plan. The Forward Plan is a document that contains details of the key, private and,

where possible, non-key decisions the Cabinet, cabinet members or officers are likely to make over a four month period. It is a legal requirement to make details of key or private decisions public.

This council supports its pre-decision scrutiny policy by going beyond the legal requirements for publishing notice of key decisions by providing the details of decisions up to four months in advance.

As well as being an important document for the public, the Forward Plan helps to provide our OSCs with the opportunity to monitor the executive decision making programme and undertake pre-decision scrutiny.

Overview and Scrutiny Committee Power of 'Call-in'

Scrutiny law allows for an OSC to investigate, make reports and recommendations on Cabinet decisions that have been agreed but not yet put into action. Legislation allows for action on these decisions to be suspended pending a scrutiny inquiry.

This process is referred to as scrutiny 'Call-in'. Following any scrutiny call-in inquiry, the scrutiny committee (ie the Overview and Performance Scrutiny Forum) may request Cabinet reconsider its decision on the basis of the further evidence gathered.

During the 2018/19 year no 'call-ins' were made.

OSCs' Work and Achievements Summary

Throughout 2018/19 OSCs undertook both pre-decision and post-decision scrutiny, receiving reports and influencing decisions on the following policies, strategies, plans and services :

Overview and Performance Scrutiny Forum :

- Council Plan and Performance
- Council Budget Monitoring and Medium Term Financial Forecast
- Chesterfield Borough Council's Gender Pay Gap reporting
- Derbyshire Building Control Partnership
- Town Hall Refurbishment project
- Arvato Staff Transition
- ICT Improvement Programme and Digital Strategy
- Overview of Select Committee Inquiry into Scrutiny
- Voluntary Sector: Derbyshire Unemployed Workers Centre

Community, Customer and Organisational Development Scrutiny Committee :

- Derbyshire Police and Crime Panel Update
- Progress on the Chesterfield Community Safety Partnership's performance and action plan for 2018/19
- Effectiveness of the town centre Public Spaces Protection Orders
- Face to face customer service delivery
- Health and wellbeing development
- Implementation of Universal Credit
- Progress on delivery of the Communications and Engagement Strategy

Enterprise and Wellbeing Scrutiny Committee :

- Private sector housing
- Healthy Living Centre performance
- New housing supply and the impact of new housing
- Recycling and climate change
- Allocations policy
- Careline response service
- Homelessness
- Recycling and climate change

During the year the following Cabinet Members and Assistant Cabinet Members have attended scrutiny committees to present pre-cabinet and other reports, policies, strategies and plans in relation to the business items above, and to answer scrutiny members' questions :

Leader of the Council, Councillor Tricia Gilby

Deputy Leader, Councillor Amanda Serjeant

Cabinet Member for Business Transformation, Councillor Ken Huckle

Cabinet Member for Economic Growth, Councillor Terry Gilby

Cabinet Member for Governance, Councillor Sharon Blank

Cabinet Member for Health and Wellbeing, Councillor Chris Ludlow

Cabinet Member for Homes and Customers, Councillor Helen Bagley

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

Assistant Cabinet Member, Councillor John Dickinson

The work of the scrutiny committees has also been supported by the attendance of Council officers, Arvato revenues and benefits officers and officers from other external organisations, including;

Derbyshire Police

Derbyshire County Council Public Health

Derbyshire Unemployed Workers Centre

Scrutiny Project Groups :

Scrutiny Project Group on HS2

A scrutiny project group on HS2 was formed during the OSC Work Programming for 2018/19. Councillor Jenny Flood was appointed as Lead Member of the project group.



HS2 presents a once in lifetime opportunity for the borough to significantly increase economic growth in a wide range of areas including jobs, housing, the visitor economy and inward investment for North Derbyshire and the wider region. Significant work needed to be carried

out to help to deliver the growth and improved connectivity opportunities presented by HS2. The HS2 project was set to deliver two major developments for Chesterfield, the Infrastructure Maintenance Depot at Staveley and HS2 trains stopping at the redeveloped Chesterfield Station. These developments had the potential to drive regeneration in these areas and the wider borough.

The project group set two aims:

1. To ensure each area of responsibility within the Council worked in partnership with others to ensure a joined-up cohesive approach to future changes.
2. To contribute towards a shared vision for the opportunities that the development of the Infrastructure Maintenance Depot at Staveley and of HS2 trains services would bring to the borough as well as the wider area.

The group sought information from officers across the council and Cabinet Members during the review to consider the wide variety of areas impacted by the HS2 project. The group also visited the National College of High Speed Rail to experience the efforts being made outside of the council and consider how the benefits of these efforts could be maximised for Chesterfield.



To conclude the project, the group proposed a series of recommendations to Cabinet with the aim to support existing work of the council and provide suggestions of future work to help to ensure the benefits of HS2 would be

maximised for Chesterfield. These recommendations received support from Cabinet and have now been formulated into an action plan that will be monitored through the Overview and Performance Scrutiny Forum. The full report can be found by clicking [here](#).

Scrutiny Project Group on Skills

A scrutiny project group on Skills was created as part of the OSC Work Programming for 2018/19 with Councillor Gordon Simmons as Lead Member. The initial aims of the project were to review the objectives of the Council’s Skills Action Plan at its halfway point, assess if actions within the plan were on target and identify new areas where work was needed. The project group also recognised that there was an exciting future ahead for the employment and skills agenda in Chesterfield, with major developments bringing new opportunities including the projects at Waterside and Northern Gateway, and preparations for HS2.

To focus the work, the group decided to look at four areas in detail, these were:

1. how Local Labour agreements have been used to improve skills development;
2. how the Skills Action Plan has helped to encourage and support businesses to take on more apprentices;
3. what work has been carried out to engage with and support 18-24 year olds not in work, employment or education;
4. what plans are there for skills development programmes in schools that are tailored to future jobs associated with HS2.



The project group sought advice from senior officers across the council, attended a meeting with external organisations to learn about the Construction Skills Village model and visited Parkside Community School to hear about their full and varied programme for their students, supporting them to be in a good position to secure apprenticeships or work.



To conclude the project, the group proposed a series of recommendations to Cabinet with the aim to support the excellent work that is being carried out by the Council in partnership with stakeholders, and provide suggestions for how to increase the value of current activities so that the Council continued to address the objectives identified in the Skills Action Plan and Growth Strategy.

These recommendations received support from Cabinet and have now been formulated into an action plan that will be monitored through the Enterprise and Wellbeing Scrutiny Committee. The full report can be found by clicking [here](#).

Scrutiny Project Group on the development of the old Queen's Park Sports Centre site

Following on from its work in 2017/18 during the development of the business case for the artificial sports pitches, this project group, led again by Councillor Gordon Simmons, acted as a 'sounding board', monitoring progress during the design and building stage in 2018/19.

The group monitored the progress of the planning application and the implementation of the conditions, ensuring the landscaping and boundary was consistent with the heritage format. It monitored the procurement process to ensure the project could be delivered within budget. It considered the proposed marketing approach for the use of the sports pitches, recognising the aim to achieve a balanced schedule of use, including regular bookings, community groups, individual bookings and holiday activities across peak and off-peak periods.

The project group will continue to monitor the completion of the construction of the sports pitches during the summer of 2019.

Scrutiny Project Group on Community Rooms

As part of the OSC Work Programming for 2018/19, a scrutiny project group was created, with Councillor Kate Caulfield as lead member, to review the Council's Community Rooms provided by the Housing Service. In 2009/10, the Council decided to close its community rooms however this was met with concerns from residents, as a result 6 rooms remained open. However, the usage of the rooms has remained low with income levels not meeting the costs of maintaining the rooms. The Careline Service administers the rooms and began an appraisal and refurbishment programme in July 2017 to improve the standard and attractiveness to potential hirers.



The group set three aims and objectives to provide focus for the review:

1. identify changes that are required to enhance the offer and accessibility of the community rooms, improving the quality of the space for users;
2. identify ways to make the rooms financially self-sufficient including better promotion to increase usage and bring in more income;

3. provide solutions to improve the booking process by identifying the main contacts, how to access the rooms, application process and facility procedures.



Key officers provided information during the review including the Careline and Support Service Manager and the Social Inclusion Officer. In addition, one of the rooms had *Friends of* group to promote usage which the project group engaged with during the review.

The project group produced a preliminary report in January, 2019 that was submitted to the Customer, Community and Organisational Scrutiny Committee and included a series of recommendations that aimed to improve the usage and booking process for the community rooms including:

- updates to the website and creation of a central webpage for finding room hire information on all Council owned venues;
- installing a dedicated phone line for community room enquiries including a voicemail facility;
- noticeboards outside community rooms to be used to promote the rooms and include up to date “What’s on” calendars;
- a new leaflet that includes details on all the rooms;
- a new booklet that incorporates the terms and conditions for the room hire and how to use the facilities;
- a review of the most effective way to gain access to the rooms for hirers.

The project also considered the financial costs of the rooms including the income and expenditure. The project group decided that, though the recommendations relating to improving usage of the rooms were finalised, further investigation was needed before forming recommendations relating to the funding, charges and maintenance of the 6 community rooms. Therefore, the review will be revisited during 2019/20 with a deeper review of the financial accounts before a final report is submitted to Customer, Community and Organisational Scrutiny Committee followed by Cabinet.

Scrutiny Project Group on Play Strategy

A scrutiny project group was appointed by the Enterprise and Wellbeing Scrutiny Committee in June 2016 to inform and provide oversight of the development of the council’s play strategy. The project group has challenged and informed the development of detailed audits of existing play areas across the borough, and the content and design of proposed community consultation which took place from 16 April to 1 June 2018. In April, 2018, the Committee reviewed the aims and objectives of the project group and resolved that the project group be closed

following successful achievement of its aims and that the continued involvement of members in decisions regarding the strategy be endorsed.

Scrutiny Project Group on Leisure, Sport and Cultural Activities

Detailed background to this review can be found in the scrutiny annual reports for 2013/14 and 2014/15. The Enterprise and Wellbeing Scrutiny Committee received updates during 2018/19 on outstanding issues relating to the new Queen's Park Sports Centre, and continued to monitor and review the progress on addressing the issues. In December, 2018, the Committee were advised that appropriate training programmes were in place for the sports centre staff which resolved the final outstanding matter. The Committee decided to close the Scrutiny Project Group following the achievement of its aims and objectives.

Corporate Working Groups :

Last year the Overview and Performance Scrutiny Forum appointed individual members to attend the following corporate working group meetings to report back to the relevant OSC on the work of the corporate groups.

Housing Revenue Account (HRA) Business Plan Steering Group – Cllr Suzie Perkins is the scrutiny representative on this working group. The group has met infrequently during 2018/19, however a new Assistant Director – Housing has recently been appointed and it is expected that the group will start to meet regularly in the coming months. In the past, scrutiny representation on this group has meant that scrutiny councillors have been kept informed and able to act as a critical friend to many housing related issues including changes to the Tenancy Agreement, review of tenant repair obligations and improving the desirability of hard-to-let properties.

Member Development Working Group – Scrutiny is represented on this group by Joint Scrutiny Chair, Cllr Peter Innes. In 2017/18, the working group reviewed its terms of reference, purpose and procedures, and a new Member Development policy was approved by Cabinet in May 2018. Scrutiny feeds into the working group by identifying member's training needs and contributing to the rolling member training plan. Over the past year, new briefing sessions have provided members with information on safeguarding children and vulnerable adults, using ICT, iPads and e-learning; GDPR, policing issues in Chesterfield, private sector housing and treasury management. All members are invited to these sessions and for scrutiny members they are excellent opportunities to deepen their understanding of specific issues so that they can scrutinise topics effectively.

Statutory Crime and Disorder Scrutiny Committee

Legislation requires that Councils appoint a Crime and Disorder Scrutiny Committee (CDSC) which must meet at least once a year to provide overview and scrutiny of the council area's Community Safety Partnership's work and performance.

Meetings of the Committee were held on 2 October, 2018 and 26 March, 2019 to consider performance and progress against the Chesterfield Community Safety Partnership Plan for 2018/19. The committee also considered priorities for the 2019/20 action plan, which was based on partnership working and would focus on four priority areas: anti-social behaviour, domestic abuse and sexual violence, theft and organised crime groups and substance misuse.

The committee also received minutes of the meetings of the Derbyshire Police and Crime Panel, and updates from the Council's appointed member representative, the Cabinet Member for Health and Wellbeing.

Joint Overview and Scrutiny Panel for Chesterfield, North East Derbyshire and Bolsover Councils

The Panel was originally appointed to scrutinise performance and monitor services delivered jointly between the three Councils of Chesterfield, Bolsover and North East Derbyshire. The only shared service delivered jointly by the three authorities is the Internal Audit Consortium. In light of the reduced scope, the Panel meets as and when needed. During 2018/19, no meetings of the Joint Overview and Scrutiny Panel have been called. The Panel remains in place pending any business coming forward.

4 Scrutiny outcomes and impact on service delivery

Ensuring Implementation and Monitoring Impact of Scrutiny Work and Recommendations

Our overview and scrutiny committees monitor progress in implementing scrutiny recommendations that are approved by decision makers, requesting regular 6 monthly or annual updates on progress. This follow up procedure ensures once recommendations are approved they are put into action, and that the work of scrutiny impacts on service delivery and benefits the people of Chesterfield.

During 2018/19 the council's scrutiny committees monitored and received progress reports on delivery of scrutiny recommendations made in relation to the scrutiny project reviews listed below.

- Leisure, Sport and Cultural Activities in relation to the development of the new Queen's Park Sports Centre
- Friends of groups
- Implementation of Universal Credit
- Town Centre
- HS2

Greater detail of these scrutiny project reports and recommendations can be found either in part 3 of this report or in previous annual scrutiny reports.

Achievements and highlights:

Taking on a topic such as HS2 started off as a challenge for the scrutiny members, however after careful scoping and meetings focussed on specific objectives, the project group were able to contribute to the policy development and were recognised by Cabinet as supporting a broadened and deepened understanding of all members of the subject. The findings of the scrutiny project group on HS2 have been used in the development of the final stages of the production of the HS2 Station Masterplan. Policy SS7, Chesterfield Railway Station, is included in the new Local Plan and was scrutinised by the project group before being submitted to Full Council where it received cross party support. During the course of the project, members engaged with officers across the council as well as HS2 Ltd. staff and visited the National College of High Speed Rail.

During 2018/19, a scrutiny project group undertook a review of the Skills Action Plan at its halfway point. With the new developments planned for Chesterfield and the increasing skills gaps, particularly in the construction and engineering

industries, scrutiny viewed the action plan as an important set of objectives for putting Chesterfield's communities on the best trajectory for the future job markets. The scrutiny process involved speaking to local schools and other authorities to understand the gaps in preparing students for their future careers and learn about alternative models for training. The scrutiny project group carefully planned its recommendations to make the most of existing council resources and provided evidence-based reasoning for recommendations where further funding was needed. The group's report was welcomed by Cabinet Members and received recognition from the leadership over the quality of practice that was undertaken.

Both these projects were successful in presenting realistic recommendations to Cabinet that received full support and also engaged members of the local community in scrutiny work.

5 Overview and scrutiny developments during the year

Developments in overview and scrutiny are ongoing and this is a standing item on the agenda for each meeting of the Overview and Performance Scrutiny Forum (OPSF).

Developments fall into two main areas:

- i) Developments inside and outside of the Council having an impact on delivery of the overview and scrutiny function;
- ii) The development of people involved with delivering the function, and more specifically those elected members of our overview and scrutiny committees.

The information below provides details of the various developments that have taken place during 2018/19.

Sheffield City Region Combined Authority, Overview and Scrutiny Committee



The combined authority area covers 9 councils in South Yorkshire and North Derbyshire, of which Chesterfield Borough Council is a non-constituent member. This new body has strategic powers to make decisions on transport, economic development and regeneration matters within the combined authority area. On 4 May, 2018, Dan Jarvis was elected as Mayor of the Sheffield City Region and Chair of the Mayoral Combined Authority.

Legislation requires the combined authority to establish an overview and scrutiny committee (OSC) to increase transparency and accountability of the authority's decision making. The SCRCA OSC has been meeting during 2018/19 and Chesterfield Borough Council's scrutiny chairs are appointed to, and attend its meetings. The SCRCA and its OSC meetings are administered by the South Yorkshire Joint Authorities Unit and meeting details and webcasts of its work during 2018/19 can be accessed by clicking [here](#).

Developing Overview and Scrutiny Committee Work Programming

Over the past three years, scrutiny has been using a format to plan its work programme that engages all scrutiny, backbench and cabinet members in the process. Every year, the Democratic and Scrutiny team and Scrutiny Chairs review

the sessions and make improvements to ensure that the work programme topics remain relevant, add value and have high public impact.

The work programming approach has helped to improve clarity and transparency around the work programming process, enable wider understanding and involvement in the work programming process, provide opportunities to further develop the scrutiny / cabinet working relationship and facilitate well informed discussions and selecting of items.

Two work programme action planning days took place as detailed below:

Action Day 1: At the first planning day, cabinet members were invited to present their priorities and plans for the year 2018/19. Scrutiny and other backbench members worked together informally, in mixed group workshops to discuss and agree potential business items for the scrutiny work programme. They were also asked to consider whether there was a public interest in the item, if scrutiny can have an impact and if there was evidence of poor performance.

Action Day 2: At the second planning day event, scrutiny and backbench members considered the long list of potential business items generated from action day 1. In groups they used a RAG (red/amber/green) scoring system to prioritise the importance and impact of items on the list, and whether scrutiny could have an impact. Having achieved a priority rating for each item, further group discussions took place to consider which items would be suitable for scrutiny project groups.

Following these sessions, the Scrutiny Chairs and Democratic and Scrutiny Officers met to finalise the items for the work programmes using the RAG scores, and drew up a draft work programme that underwent consultation with senior officers before being approved by the Overview and Performance Scrutiny Forum.

Due to the election of borough councillors, this year scrutiny work programming will take place following the induction of new members to enable all scrutiny members for 2019/20 to be involved in setting the programme for the year. This will follow a similar, shortened format with cabinet members sharing upcoming key projects and priorities for 2019/20 accompanied by workshops involving all scrutiny and backbenchers members that attend the session. Following this, the Democratic and Scrutiny team and Scrutiny Chairs will finalise the work programme with advice from key officers from cross the Council.

Corporate Working Groups:

Last year the Overview and Performance Scrutiny Forum was invited to appoint individual members to certain corporate working groups. These corporate

working groups are detailed in section 3 of this report. OSC members are appointed to attend the working group meetings and report back to the relevant OSC on the work of the corporate groups. This approach is an efficient way to access more information and to provide a mechanism for more direct communication between the OSCs and working groups. Direct communication enables early scrutiny involvement and opportunities for pre-decision scrutiny. OSC member appointments are reviewed annually as part of the work programming process.

Scrutiny / Executive Communications

To continue to strengthen communications and information sharing, the Scrutiny Chairs routinely attend informal development sessions for portfolio holders and the corporate management team this includes discussions, updates, presentations and networking opportunities.

Learning and Development for Overview and Scrutiny

Scrutiny plays an important role in identifying and delivering learning and development for members. One of the Scrutiny Chairs continues to sit on the Member Development Working Group which, following a review of its terms of reference, now offers a full and diverse programme of learning and development opportunities for all members. Development needs that are identified through scrutiny committees or project groups are fed into the member development group so that they can form part of a rolling training programme covering all members. In addition, a programme of member briefing sessions has been established to provide topical advice and updates to help members carry out their responsibilities effectively.

The scrutiny work programming sessions provide an opportunity for all members to learn about the council's key priorities from cabinet members and take part in workshops to determine a list of items for the work programme. Scrutiny continues to look for ways to make work programming more effective and involves the scrutiny members in carrying out prioritisation tasks which encourages members to consider the various impacts of a particular topic.

Both the Scrutiny Chairs and officers from the Democratic and Scrutiny Team have attended each East Midlands Scrutiny Network meeting during 2018/19. The Scrutiny Chairs then provide reports back to the scrutiny committees including feedback from discussions on how different authorities carry out scrutiny project group work, impact of the review by the select committee into scrutiny in local government and the work of the East Midlands Clinical Senate.



A member of the Democratic and Scrutiny team attended the Centre for Public Scrutiny conference in December 2018 to keep up to date with the latest developments impacting on scrutiny.

These opportunities are useful to keep challenging our scrutiny practices to make sure they are relevant, adding value and considering reviews that are in the public interest.

Overview and Scrutiny Policy, Practice and Guidance

In line with the overview and scrutiny arrangements which have been adopted, we continue to develop our local policy approach, processes, and shared learning, through the introduction and further development of guidance and information documents, as needed. We continue to promote and develop a presence on Aspire, the Council's intranet, and through the member development e-bulletins.

In December, 2017, the Select Committee on Housing, Communities and Local Government published their review findings on the effectiveness of local authority overview and scrutiny committees. Chesterfield Borough Council took part in the consultation which helped the formulation of recommendations in the report. The Government issued their response in March 2018 and advised that new guidance would be developed based the recommendations from the review. The new guidance is still in development, however many authorities, including ourselves, have already begun to look at how we might be impacted and how we can use the findings to further improve our overview and scrutiny functions.

A survey of all overview and scrutiny members was undertaken during 2018/19 to look at how effective our current practices are. Based on the findings, we have reviewed and introduced new guidance documents to strengthen the quality, impact and relevance of scrutiny work. In addition, we have designed a scrutiny induction programme that will develop an understanding of scrutiny as well as providing practical guidance on the skills needed to be an effective scrutiny councillor. Finally, a new scrutiny report template has been developed to support officers presenting information to scrutiny members. All scrutiny guidance documents and templates are available on Aspire.

East Midlands Councils' Regional Scrutiny Network

The East Midlands Councils' Regional Scrutiny Network is a forum for learning, sharing, promoting, supporting and developing the scrutiny function across the region.



The Council plays a proactive role in supporting and contributing to the work of the network which meets on a quarterly basis.

One or both of the Scrutiny Chairs have attended each meeting of the Network during 2018/19 and in March 2019, Chesterfield hosted the network at the Town Hall. During the year, the network has continued to receive presentations on relevant scrutiny reviews and have taken part in workshops allowing members and officers from around the East Midlands the opportunity to discuss best practice for scrutiny and share their work. Topics covered by the network over the year include:

- Homelessness and Rough Sleepers in Northampton
- Task and finish group workshop
- Scrutiny guidance workshop by the Centre for Public Scrutiny
- Scrutiny inductions
- New guidance on overview and scrutiny in local government
- Setting scrutiny work programmes
- East Midlands Clinical Senate

6 Overview and scrutiny committee work programme 2019/20

The three scrutiny committees review their work programme business at each of their meetings held every two months. Programmes of work and meeting agendas would include:

- Individual items of business agreed by the scrutiny committees for consideration (including ongoing priorities such as budget, performance and corporate priorities)
- Reports on scrutiny project group work
- Reports from scrutiny members appointed to corporate working groups
- Scrutiny of the council’s Forward Plan of key decisions
- Monitoring of the delivery of approved scrutiny recommendations
- Business items that committees will decide to deal with as and when they arise such as ‘call-in’ and petitions.

Detail of specific Work Programme business is below.

Overview and Performance Scrutiny Forum

<p>Business items :</p> <ul style="list-style-type: none"> • Being a more environmentally friendly council • The Council’s budget • Council plan and corporate performance • ICT improvement programme • DCLG review of Scrutiny • Signposting to support and advice charities • Town Hall refurbishment 	<p>Scrutiny Project Groups on :</p> <ul style="list-style-type: none"> • Climate change – air quality <p>Items for monitoring :</p> <ul style="list-style-type: none"> • HS2 Scrutiny Project recommendations
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Community, Customer and Organisational Scrutiny Committee

<p>Business items :</p> <ul style="list-style-type: none"> • Communications and engagement strategy • Health and wellbeing – falls prevention • Shaping healthy places – Staveley area • Theatres pricing structures • Implementation of Universal Credit 	<p>Scrutiny Project Groups on :</p> <ul style="list-style-type: none"> • Community Rooms • Community safety and providing for young people <p>Items for Monitoring :</p> <ul style="list-style-type: none"> • Friends of Scrutiny Project recommendations • Alcohol related health problems and hospital admissions
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Enterprise and Wellbeing Scrutiny Committee

<p>Business items :</p> <ul style="list-style-type: none"> • Allocations policy • Careline response service • Homelessness/Night Shelter • Commercial business units • New Council homes • Private Sector Housing • Repairs/Commercial services • Trade recycling/bin cleaning <p>Scrutiny Project Groups on :</p> <ul style="list-style-type: none"> • Development of the site of the old Queen’s Park Sports Centres 	<p>Items for Monitoring :</p> <ul style="list-style-type: none"> • Skills Scrutiny Project recommendations <p>Corporate Working Group representation on :</p> <ul style="list-style-type: none"> • Housing Revenue Account Business Plan Steering Group
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7 Scrutiny Committee membership 2018/19

<p>Overview and Performance Scrutiny Forum :</p> <p>Councillors</p>	
<p>Peter Innes - Co Chair Kate Sarvent - Co Chair Jeannie Barr Howard Borrell Ian Callan Kate Caulfield Dean Collins (December 2018 – May 2019) Lisa Collins</p>	<p>Lisa-Marie Derbyshire Vickey-Anne Diouf Barry Dyke Keith Falconer Jenny Flood Donald Parsons (May 2018 – December 2018) Suzie Perkins</p>
<p>Community, Customer and Organisational Scrutiny Committee :</p> <p>Councillors</p>	
<p>Peter Innes – Chair Howard Borrell – Vice Chair Lisa Collins Barry Dyke</p>	<p>Jenny Flood Shirley Niblock Donald Parsons Kate Sarvent</p>
<p>Enterprise and Wellbeing Scrutiny Committee :</p> <p>Councillors</p>	
<p>Kate Sarvent – Chair Suzie Perkins – Vice Chair Kate Caulfield Dean Collins</p>	<p>Lisa-Marie Derbyshire Vickey-Anne Diouf Barry Dyke Keith Falconer</p>

For further information contact :

Rachel Appleyard

Senior Democratic and Scrutiny Officer

Tel: 01246 345277

rachel.appleyard@chesterfield.gov.uk

democratic.services@chesterfield.gov.uk

or visit the Council's website at www.chesterfield.gov.uk

For publication

Equality and Diversity Strategy 2019-2023 (GV430)

Meeting:	Council
Date:	17/07/2019
Cabinet portfolio:	Governance
Report by:	Policy Officer

For publication

1.0 **Purpose of report**

- 1.1 To advise Members of the production of a new draft Chesterfield Borough Council Equality and Diversity Strategy 2019 – 2023.
- 1.2 To seek approval of the Council's Equality and Diversity Strategy 2019 – 2023.

2.0 **Recommendations**

- 2.1 That Members consider the draft Equality and Diversity Strategy 2019-2023.
- 2.2 That Full Council approves and adopts the Equality and Diversity Strategy 2019-2023.

3.0 **Report details**

3.1 The current Equality and Diversity Strategy is now due to be updated. This update will ensure that the Strategy reflects our current understanding of the needs of our local communities, and the priorities within the Council Plan 2019-23. The new Strategy is also proposed to cover the next four years, bringing it in line with the Council Plan.

3.2 The updated Equality and Diversity Strategy 2019-23, which has been developed in consultation with the Equality and Diversity Forum, outlines our corporate equality objectives for the next four years, and how we plan to achieve them. The Strategy is attached at Appendix B, and includes:

- our corporate commitment to equality and diversity
- roles and responsibilities across the organisation in relation to equalities
- local context and community profile
- achievements during the previous Equality and Diversity Strategy
- corporate equality and diversity principles
- our corporate equality objectives and related actions to deliver the strategy

3.3 This report is due to be considered by Cabinet at its meeting on 16th July, 2019, where it is proposed that Cabinet recommend that Full Council approves the draft Equality and Diversity Strategy 2019-2023.

4.0 **Financial implications**

4.1 The action plan will be delivered within existing resources.

5.0 **Legal and data protection implications**

5.1 The Strategy incorporates the organisation's approach to discharging its responsibilities under the Equality Act 2010 (including the Public Sector Equality Duty) as a service commissioner, service provider, and employer. The Duty requires the Council to publish our equality objectives, at least every four years, and to publish information to demonstrate our compliance annually – this includes information about the workforce, and access to and satisfaction with the Council's services, broken down by protected characteristics. This information is collected on an ongoing basis as part of the Council's community engagement programme.

5.2 In addition to requirements under the Public Sector Equality Duty, the Council is now required to carry out gender pay gap reporting, including:

- Calculating the mean and median gender pay gap
- The difference between mean and median bonus payments paid to men and women
- The proportion of men and women in each quartile of their pay distribution

This data is calculated as a 'snapshot' on the 5th April each year.

6.0 **Equality Impact Assessment**

6.1 The strategy provides a framework for the Council to achieve its equality and diversity objectives delivering positive outcomes across the protected characteristics for employees and the wider community. Some actions will have positive impacts on particular groups, such as the work on apprenticeships which mainly attract younger participants. No negative impacts are anticipated.

7.0 Risk management template

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Reputational and legislative risk of not publishing the Strategy which demonstrates compliance with Equality Act.	M	L	Publish the Strategy on the Council's website and distribute via partner mailing lists.	L	L

8.0 Alternative options and reasons for rejection

8.1 The alternative approach would be to not publish the Strategy, however, this would make it difficult to demonstrate the Council's compliance with the Public Sector Equality Duty under the Equality Act.

9.0 Recommendations

9.1 That Members consider the draft Equality and Diversity Strategy 2019-2023.

9.2 That Full Council approves and adopts the Equality and Diversity Strategy 2019-2023.

10.0 Reasons for recommendations

10.1 The Strategy provides a framework for the Council to continue to ensure that the services we provide are fair and meet the needs of the local community, and that we discharge our responsibilities under the Equality Act 2010.

Decision information

Key decision number	138
Wards affected	All

Document information

Report author	Contact number/email
Katy Marshall – Policy Officer	Katy.marshall@chesterfield.gov.uk
Appendices to the report	
Appendix A	Equality and Diversity Strategy 2019-2023

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Equality and Diversity Strategy

2019 – 2023



CHESTERFIELD
BOROUGH COUNCIL

Equality and Diversity Strategy

2019 – 2023

Are we accessible to you?

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

On request we will provide free:

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

Please contact us:

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Email: enquiries@chesterfield.gov.uk

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1. Foreword

Welcome to Chesterfield Borough Council's Equality and Diversity Strategy 2019-2023. This ambitious Strategy and Action Plan sets out our objectives for the next four years to promote equality and diversity both within the Council and in our communities. The strategy has been designed to complement our new Council Plan and to ensure that our approach to equalities is embedded within everything we do.

Chesterfield Borough Council recognises and welcomes the diversity of our Borough. Our strategy provides a framework for continuing to celebrate this diversity and foster good relations within our communities.

Despite the financial challenges, we will continue to demonstrate our commitment to equality and diversity, ensuring that it is an integral part of our decision making processes and service delivery so that our communities have equitable and fair access to services.

2. Our Commitment to Equality and Diversity

Our vision at Chesterfield Borough Council continues to be 'putting our communities first'. We are here to serve and support our communities including our residents, tenants, businesses, visitors, students and voluntary groups. Together we will continue to make our borough a great place to live, work, visit and invest.

The Council as a community leader, a service provider, employer and commissioner of goods and services, has a clear social and legislative responsibility to prevent discrimination and advance equality. By working to eliminate discrimination and promote equality we will empower our residents and help them to realise their full potential.

Our duties under the Equality Act 2010

As a Local Authority, we are subject to the Public Sector Equality Duty which was introduced in the Equality Act 2010. This duty requires all public bodies to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

In order to support public bodies to meet the Public Sector Equality Duty there are Specific Duties which public bodies must meet:

- Set and publish equality objectives, at least every four years, and
- Publish information, at least annually, to show their compliance with the Equality Duty. This must include information relating both to its employees and to people who are affected by the public body's policies and procedures.

The other important pieces of legislation that we need to adhere to and impact on the work of both the inclusion and prevention agenda are:

- 1998: Human Rights Act
- 1996: Employment Rights Act

The Equality and Diversity Strategy sets out the Council's commitment and approach to eliminating unlawful discrimination, harassment and victimisation, advancing equality of opportunity, and fostering good relations in the Borough over the next four years. It includes:

- *the roles and responsibilities for delivering the Council's Equality and Diversity Strategy*
- *the local context and achievements made so far by the Council and partners*
- *our Equality and Diversity Principles, which will guide our approach to equality and diversity*
- *our specific objectives and anticipated outcomes in relation to Equality and Diversity*
- *the way that we will monitor our progress in delivering the strategy and how we will make a real and positive difference to the lives of those affected by Chesterfield Borough Council's services*

When developing this Strategy, we have been guided by the Council's four key values:

1. *We are customer focused*
2. *We take a can do approach*
3. *We act as one council, one team*
4. *We believe in honesty and respect*

The Equality and Diversity Strategy complements and supports the delivery of the priorities within the Chesterfield Borough Council Plan, which are:

- *Making Chesterfield a thriving Borough*
- *Improving the quality of life for local people*
- *Providing value for money services*

3. Roles and Responsibilities

Our Constitution governs how decisions are made, how we operate and the procedures that are followed to ensure that these are efficient, transparent and accountable. Decisions are taken by councillors through the Council and its committee meetings, most of which are open to the public.

The day-to-day delivery of local services is carried out by various staff through the Council's management structure. The Chief Executive and Senior Leadership Team has overall responsibility for managing the Council, and work together with the Corporate Management Team to oversee progress against the Council's stated priorities, and the outcomes delivered as a result of the Council's plans and services they provide to residents. Equality Impact Assessments (EIAs) are used by decision makers including Council, Cabinet, Committees and Officers to determine the impact of the Council's initiatives, and to put appropriate mitigating action in place to minimise negative impact on groups protected by the Equality Act and the wider community.

Achieving and promoting equality and diversity is a responsibility shared by all elected members, the Senior Leadership Team, Corporate Management Team, managers, staff, contractors, partners, stakeholders and residents.

Equality and Diversity Forum

The Equality and Diversity Forum is a group of representatives from statutory partners, community groups and local individuals with an interest and/or expertise in equality and diversity. The Forum members work together to share ideas, best practice and to raise awareness in the community of equality and diversity. The Forum acts as a critical friend for the Council's services and plays a key role in the scrutiny and development of Equality Impact Assessments which inform the Council's decision making process. Support is provided by the Council to facilitate the Forum's activities, which include organising a number of themed awareness raising and training events throughout each year. The Forum adopts a partnership approach, pooling resources with partners to maximise the positive impact of its work in the community.

Elected Members

Elected members must fulfil their statutory responsibilities under the Equality Act to promote good community relations in all their work, particularly in their community leadership role. They must also make informed decisions, which consider the impact on people with protected characteristics and key community groups.

Senior Leadership Team

The Senior Leadership Team (SLT) must champion and lead by example, using the Public Sector Equality Duty to encourage the integration of equality and diversity issues in all aspects of the Council's work. SLT should actively help to promote equality and diversity issues and actions within services, and ensure that good quality Equality Impact Assessments are completed and associated mitigating actions delivered (where appropriate).

Corporate Management Team and other managers

The Corporate Management Team must maintain an overview of equality and diversity for their service and ensure effective development, implementation and monitoring of service equality and diversity objectives and related actions within service plans, including ensuring completion and appropriate challenge of Equality Impact Assessments.

Employees

Employees should demonstrate commitment to equalities by:

- Championing equality and diversity in the Borough when undertaking their work
- Taking active steps to challenge discrimination and harassment in the workplace and the community including hate crime reporting
- Making informed decisions and proposals, which consider the impact on people with protected characteristics and key community groups
- Understanding, complying and embedding the equality and diversity processes in their services.

Employees receive a comprehensive training package detailing their roles and responsibilities and raising awareness of equality and diversity related matters.

Contractors

Contractors who deliver services on behalf of Chesterfield Borough Council must comply with the Equality Act 2010, including incorporating the Council's Public Sector Equality Duty commitments in all dealings and practices on behalf of the Council in all areas assessed as relevant to the duty.

Partners

Partners must be aligned to the Council's Equality and Diversity Policy and the objectives set out in this strategy.

Stakeholders

The Council should engage with stakeholders to ensure they can contribute to the process of setting, monitoring and reviewing equality and diversity objectives and action plans.

4. Local Context

Chesterfield is the second largest settlement in Derbyshire (Derby City is the largest). It is a relatively compact and mainly urban area. The market town of Chesterfield acts as the sub-regional centre for north eastern Derbyshire and provides a range of retail, commercial, leisure and cultural facilities.

Chesterfield is a major centre of employment (over 48,000 people work in the Borough) attracting almost 21,000 in-bound commuters on a daily basis. Its employment catchment area covers a large part of the surrounding districts of Bolsover and North East Derbyshire, as well as drawing in people from Derbyshire Dales and Sheffield.

Key equalities related information from the Census and other information sources such as the area Health Profile and Index of Multiple Deprivation include:

- Demographic information - On Census day 2011 Chesterfield Borough had a population of 103,800 - 5000 more than on Census day 2001. The Borough has a higher proportion of residents from minority ethnic backgrounds than in Derbyshire, with the main populations in St. Leonards, St. Helen's, Holmebrook and Brockwell. In 2001, 98.1% of the Chesterfield Borough population were White British compared to 94.9% in 2011.
- The Borough has a higher percentage of households with no access to a car or van than Derbyshire, East Midlands and England at 27.1%. The highest percentages (over 40%) are in Rother and St. Helens compared to just 11.2% in Walton.
- The majority of Chesterfield Borough residents live within a 20 minute walk of essential services, including GPs, Pharmacies, Schools, Post Offices etc. (a significant percentage within 10 minutes).
- Housing - The Borough has a far lower percentage of owner occupiers than in Derbyshire. The highest percentages are in Walton and West; the lowest percentages are in Rother, Middlecroft and Poolsbrook. The Borough has a considerably higher percentage of social housing than in Derbyshire, East Midlands and England. The private rented sector appears to be growing rapidly with particular concentrations in Holmebrook, St. Leonards and St. Helens.
- Working and Learning Communities -21% of residents in Chesterfield Borough have higher level qualifications; this is lower than in Derbyshire, East Midlands and England. The highest percentage of residents with higher level qualifications is in the west of the Borough – Walton and West (39.8%), the lowest over in the East (Middlecroft and Poolsbrook – 11.6%). There is a higher percentage of residents in Chesterfield Borough who are economically inactive due to long-term sickness or disability.
- Chesterfield is the 85th most deprived area in England out of 326 English local authorities.

- There are significant concerns about entrenched and worsening deprivation in several Chesterfield neighbourhoods for example Grangewood is now in the 1% most deprived neighbourhoods in England. In order to make detailed observations about communities, areas are divided into Lower Super Output Areas (LSOAs). All six of the Chesterfield LSOAs in the 10% most deprived in 2015 have deteriorated since 2010.
- Deprivation inequality has risen in Chesterfield Borough with the areas within the 10% least deprived in England improving their position across a range of domains and the 10% most deprived deteriorating.
- While employment deprivation has improved generally in Chesterfield Borough, a third of neighbourhoods within the Borough remain the 20% most deprived in England.
- Health - The health of people in Chesterfield is varied compared with the England average. Deprivation is higher than average and about 3,700 children (21%) live in poverty. Life expectancy is 10 years lower for men and 8.9 years lower for women in the most deprived areas of Chesterfield than in the least deprived areas. In Year 6, 20% of children are classified as obese, and 26.5% of adults are classified as obese. The rate of self-harm hospital stays, smoking related deaths, drug misuse and early deaths from cardiovascular disease are worse than average. Health and disability is a major concern for Chesterfield Borough. The Borough is ranked the 25th most deprived in England in terms of health, and half of the LSOAs are within the 20% most deprived within England.

Despite extensive investment to strengthen Chesterfield's economy, these figures suggest that a significant percentage of our community are not currently accessing the proceeds of growth due to a variety of factors including poor health, caring responsibilities, poor educational and skills attainment etc.

You can find out more about Chesterfield's communities in our State of the Borough Report which can be accessed on the [Council's website](#).

5. Key achievements during the last Equality and Diversity Strategy

Successfully delivering the previous Equality and Diversity Strategy (2017-2019), has enabled the Council and partners to achieve a number of key outcomes which have improved the services we deliver for the local community and supported our Council objective to improve the quality of life for local people:

Encouraging mutual understanding and respect

Working with our partners, our Equality and Diversity Forum have continued to deliver free events throughout each year which promote understanding and celebrate diversity in our local communities, many of which include a training element to support our local organisations in promoting equality. This is helping to create communities which challenge discrimination and embrace difference.

We have also improved our hate crime reporting process to ensure that employees understand their responsibilities and that we are able to give the best possible advice and support to vulnerable people, reporting/and or signposting to organisations where appropriate.

Encourage and support involvement from all communities in the shaping, development, delivery and monitoring of local services, and ensure that service changes address the needs of our communities

In consultation with local groups, we have made some changes to our equalities monitoring form to ensure that it is relevant and representative, enabling us to gain a better understanding of our local community when planning and delivering our services and capturing customer feedback.

We have also reviewed the set of information that we publish annually to demonstrate our compliance with the Public Sector Equality Duty, to ensure we continue provide high quality accessible information in line with the Equality Act. Comparing our data with other authorities, we have found our approach to be robust.

The Policy Team and Equality and Diversity Forum have continued to give equality advice and insight into the Council's projects and plans, such as the town hall refurbishment project, and supporting the equality impact assessment process.

Empower equality and diversity organisations, the voluntary sector, local businesses and communities by monitoring and publishing equality and diversity information and outcomes so that they feel they can understand the reasons for Council decisions and challenge them if they feel it necessary.

Further to our review of the information we publish under the Public Sector Equality Duty, during the last two years we have improved our equality impact assessment (EIA) process and developed a toolkit to support employees to measure the impact of proposed changes to services and policies, and to ensure our Councillors are able to make fair decisions understanding the implications for people with protected characteristics, delivering positive impacts where possible, and mitigating against negative impacts.

Using latest Index of Multiple Deprivation and other demographic information, we have updated our 'State of the Borough' report, which is also available to the public, providing information about the local community which can be used to ensure service planning meets the community's needs. We have also been supporting the planning for the local delivery of the Census 2021.

In addition to our existing work on the gender pay gap, and following new guidance, the Council has analysed and published further information about the average amounts of pay that women and men get across our whole workforce. The Council's gender pay gap is a complex issue, which mainly relates to particular roles seeming to attract a particular gender, and also because the Council operates a bonus scheme in order to recruit skilled tradespeople at a competitive rate to deliver our housing repairs. This service area seems to attract more male candidates than female. Action planning is taking place to further our progress in narrowing the gender pay gap within the timeframe of the Equality and Diversity Strategy for 2019-2023.

Provide employees with training and development opportunities so that they have the skills, abilities and confidence to recognise and respond appropriately and sensitively to diversity and discrimination, both within the workplace and when delivering services.

In addition to the mandatory corporate training on equality and diversity, we also offer our employees modules on specific equality themes, eg. autism awareness to support our customer service. 97% of employees that have undertaken the equality and diversity training stated that the modules either met or exceeded their expectations. We also offer a pre-retirement course for employees approaching retirement, and managing stress sessions. Many of the Equality and Diversity Forum activities also contain training elements which are open to the wider community as well as our own employees.

You can read more about our achievements in our Equality and Diversity Annual Reports which are available on the Council's website.

6. Equality and Diversity Principles

The following principles govern our approach to Equality and Diversity at Chesterfield Borough Council:

1. Putting the needs of our communities at the heart of delivery and embedding and mainstreaming equality into the work of Chesterfield Borough Council.
2. Making sure that when taking decisions, we consider information and feedback from our communities and the impact our decisions may have on them, through Equality Impact Assessment process.
3. Monitoring, assessing and evaluating the impact of our strategies, policies, programmes, projects and commissioning on equality. Taking mitigating action to minimise any adverse impacts on people who share a protected characteristic.
4. Being open, honest and transparent, publishing and ensuring easy access to equality information and outcomes.
5. Ensuring consultation and engagement is central to the development and delivery of our services, in line with the Council's Community Engagement Strategy.
6. Working in partnership with other organisations, the voluntary sector, and local businesses to promote, recognise and celebrate difference within the context of fairness and equality.
7. Working in partnership to promote, recognise and celebrate diversity and to create communities which challenge discrimination and embrace difference.
8. Working towards developing a workforce which is representative of local communities and ensuring employment policies are fair and robust.
9. Drawing on best practice to continuously improve and strengthen our approach to equality and diversity in the workplace and wider community.

7. Equality and Diversity Objectives

The Council has set the following six equality and diversity objectives and associated actions to provide a framework for the Council's work on equalities over the next four years.

Objective 1: Ensuring a fair approach to the Council's decision making, and that service changes address the needs of our communities in an equitable way, taking account of the needs of people with protected characteristics.

Fair decision making

- 1.** Continuing to embed the Council's commitment to equalities in its service planning and delivery by delivering a robust equality impact assessment process, and upholding the importance of this during financially challenging times.
(Lead service: Policy and Communications)
- 2.** Providing employees with training and development opportunities so that they have the skills, abilities and confidence to recognise and respond appropriately and sensitively to diversity and discrimination, both within the workplace and when delivering services. Delivering ongoing equality and diversity refresher training as required with services and a range of additional awareness raising modules on locally relevant themes.
(Lead service: Customers Commissioning and Change / Policy and Communications)
- 3.** Encouraging involvement from all communities in the shaping, development, delivery and monitoring of local services, continuing to monitor use and satisfaction with our services to identify access/accessibility issues / satisfaction with our services from different groups.
(Lead service: Policy and Communications)
- 4.** Empowering local communities and organisations by publishing equality and diversity information and outcomes so that they feel they can understand the reasons for Council decisions and challenge them if they feel it necessary.
(Lead service: Policy and Communications)

Understanding our communities

- 5.** Support the planning and delivery of the local arrangements for the 2021 Census.
(Lead service: Policy and Communications)
- 6.** Maintain the State of the Borough report in line with latest available information, including Census 2021 data as available.
(Lead service: Policy and Communications)
- 7.** Ensuring that translation and interpretation made available by Chesterfield Borough Council meets the needs of local communities by reviewing and revising our current arrangements.
(Lead service: Policy and Communications)

Objective 2: Supporting equitable access to high quality services that recognise the needs of different customers

Supporting access to services

- 8.** Supporting and facilitating the Chesterfield Equality and Diversity Forum to act as a critical friend, improving and championing access to the Council's services for all.
(Lead service: Policy and Communications)
- 9.** Making sure that our communities are able to access our bespoke health and wellbeing offer in our Theatres, parks and leisure centres, for example, by facilitating the Theatres Access Group, providing targeted activities such as autism friendly swim sessions, encouraging groups who share protected characteristics to use our parks for events, maintaining our Green Flag status for 5 parks, and promoting positive mental health and wellbeing especially in targeted and hard to reach sectors of the community.
(Lead service: Health and Wellbeing)
- 10.** Retaining our Customer Service Excellence accreditation
(Lead service: Customers Commissioning and Change and Arvato)
- 11.** Continuing to take an active role in Dementia Friendly Chesterfield
(Lead service: Health and Wellbeing / Policy and Communications)

Accessibility of information

- 12.** Review the corporate accessibility statement to ensure that it is reflective of and accessible to our local communities
(Lead service: Policy and Communications)
- 13.** Developing the council's website, intranet and microsites to make them accessible to all our internal and external customers. This will include improving the quality and usability of our online information, to comply with EU Web Accessibility Directive, and to improve the user experience for customers with additional needs (such as visual, reading or motor impairments). We will also include subtitles on all videos published online, such as on YouTube, Facebook, Twitter and on the council website including self service areas.
(Lead service: Policy and Communications and Customers Commissioning and Change)

Objective 3: Encourage mutual understanding and respect between our communities.

Raising awareness

- 14.** Raising awareness of local equality issues and celebrating our diverse communities through the delivery of a minimum of four events each year through Chesterfield Equality and Diversity Forum on a range of locally relevant equality themes.
(Lead service: Policy and Communications)

Supporting vulnerable people

- 15.** Managing the Syrian vulnerable persons resettlement and associated programmes for CBC.
(Lead service: Policy and Communications Housing,)
- 16.** Completing the Safeguarding Children and Vulnerable Adult self-assessment and action plan working with Derbyshire safeguarding Boards
(Lead service: Policy and Communications)
- 17.** Delivering community safety priorities through the Community Safety Partnership usig this forum to help tackle issues facing our communities through creating a common vision and sense of belonging developing strong, positive relationships between people from different backgrounds and ensuring joint community engagement and tension monitoring plans are in place where appropriate.
(Lead service: Health and Wellbeing)
- 18.** Continue to work with partners to tackle homelessness – dealing with over 900 cases per year
(Lead service: Housing)

Objective 4: To maintain a modern and diverse workforce that is reflective of the local community and feels valued and treated fairly

Employee wellbeing

- 19.** Responding effectively to the gender pay gap reporting requirements including action planning.
(Lead service: Policy and Communications, Customers Commissioning and Change)
- 20.** Seek employee feedback through the annual employee survey and develop and deliver annual action plans to address issues and trends identified.
(Lead service: Customers Commissioning and Change and Policy and Communications)

Recruitment

- 21.** Maintain and build on the Council's Investors in People status
(Lead service: Customers Commissioning and Change)
- 22.** Transform the recruitment web portal to attract a diverse range of candidates, using best practice from other councils
(Lead service: Customers Commissioning and Change)
- 23.** Maximise opportunities for engagement with businesses and schools, promoting careers and apprenticeships in local government
(Lead service: Customers Commissioning and Change, Policy and Communications),

Economic Growth

Objective 5: To make sure that local people who share protected characteristics are able to access opportunities in employment and growth.

Inclusive approach to growth

24. Supporting 5000 children to prepare for future job opportunities through the HS2 and you initiative.

(Lead service: Economic Growth)

25. Providing the Young Person's Market, where stalls are available free of charge for anyone aged between 5 and 25 years old.

(Lead service: Commercial Services)

Apprenticeships

26. Help to develop the careers of over 90 apprentices across the Council by ensuring that we provide opportunities for people to develop qualifications, vocational skills and increase employability

(Lead service: Customers, Commissioning and Change)

27. Enable 350 apprenticeships via the apprentice town initiative by working alongside and supporting apprentice providers.

(Lead service: Economic Growth)

28. Work in partnership with Chesterfield college to explore opportunities for joint working (e.g. catering placements, trade staff supporting tutors and assessors)

(Lead service: Customers, Commissioning and Change, Economic Growth)

Objective 6: Supporting independence at home for our tenants, local residents and vulnerable people.

29. Support independence at home for vulnerable people through our Careline and Neighbourhoods service, and delivering Disabled Facilities Grants.

(Lead service: Housing, Health and Wellbeing)

30. Maintain independent living through the continued support of vulnerable people - Invest in over 1350 major improvements in our council homes including new kitchens, bathrooms, heating systems, windows and rewiring, ensuring that 100% of our Council homes meet the decent homes standard

(Lead service: Housing & Commercial Services)

8. Keeping track of our progress

The Equality and Diversity objectives are aligned to the priorities in the Council Plan 2019-2023. We will use our performance management framework to keep track of our progress in achieving our objectives.

Progress will also be monitored by the Equality and Diversity Forum, and presented in regular performance reports. The achievements will also be reported every year through the Equality and Diversity Annual Report to show the work being done by the Council in accordance with the Equalities Act 2010 and the objectives within the strategy to promote diversity and recognise and celebrate difference.

9. Further information

If you have any comments on our Equalities Annual Report or would like to request further information or copies of any of the documents highlighted in the report please contact the Policy Team:

Tel: 01246 345247

E-mail: katy.marshall@chesterfield.gov.uk or allison.potter@chesterfield.gov.uk

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For publication

Strengthened Local Enterprise Partnerships

Meeting:	Council
Date:	17 July 2019
Cabinet portfolio:	Leader of the Council
Report by:	Chief Executive

For publication

1.0 **Purpose of report**

- 1.1 To enable the Leader of the Council to advise full Council of her decision on Chesterfield Borough Council's future membership of either Derby Derbyshire Nottingham Nottinghamshire (D2N2) Local Enterprise Partnership (LEP) or Sheffield City Region (SCR) LEP and of the reasons behind the decision.

2.0 **Recommendation**

- 2.1 That full Council notes the Leader's decision for the Council to remain a member of D2N2 LEP and to relinquish its membership of SCR LEP with effect from 1 April, 2020, and to remain a non-constituent member of SCR Mayoral Combined Authority (MCA).

3.0 Background

- 3.1 At a meeting of full Council on 27 February, 2019 members received and considered a detailed report (attached at Annex 1, Appendix A) on HM Government's July 2018 review of Local Enterprise Partnerships. Council resolved that delegated authority be granted to the Leader to respond to the review and to make the final decision on council membership of SCR and D2N2 LEPS.
- 3.2 The Leader of the Council considered a report on 5 July, 2019 (attached at Annex 1), which provided further evidence expanding on Chesterfield Borough Council's position with regards HM Government's requirement for all businesses and communities within particular geographies to be represented from 1 April 2020 by just one LEP.
- 3.3 Following consideration of the report, the Leader resolved on 5 July:
 - 3.3.1 That Chesterfield Borough Council remains a member of D2N2 LEP and relinquishes its membership of SCR LEP;
 - 3.3.2 That Chesterfield Borough Council remains a non-constituent member of SCR Mayoral Combined Authority (MCA);
 - 3.3.3 That the Leader of the Council notifies the Secretary of State for Housing, Communities and Local Government, and the Chairs of D2N2 and SCR LEPS of Chesterfield Borough Council's decisions;
 - 3.3.4 That the change to Chesterfield Borough Council's membership status at SCR LEP takes effect from 1 April, 2020;

3.3.5 That the Leader of the Council advises full Council on 17 July, 2019 of the reasons behind the decisions made.

4.0 Recommendation

4.1 That full Council notes the Leader's decision for the Council to remain a member of D2N2 LEP and to relinquish its membership of SCR LEP with effect from 1 April, 2020, and to remain a non-constituent member of SCR Mayoral Combined Authority (MCA).

5.0 Reason for recommendation

5.1 To enable the Council to note the Leader's decision and to provide clarity on CBC's position with regards HM Government's LEP review.

Decision information

Key decision number	883
Wards affected	All
Links to Council Plan priorities	1) Making Chesterfield a thriving borough 2) Improving the quality of life for local people 3) Delivering value for money services

Document information

Report author	Contact number/email
Dr Huw Bowen Chief Executive	01246 345308 huw.bowen@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Annex 1	Leader of the Council Report: Strengthened Local Enterprise Partnerships [Leader 5 July 2019]
Appendix A	Council report: Strengthened Local Enterprise Partnerships [Council 27 February 2019]
Appendix B	Jake Berry MP and Minister of State for Housing, Communities and Local Government 2 April 2019 letter to Elizabeth Fagan, Chair, D2N2 LEP and James Muir, Chair, SCR LEP
Appendix C	James Brokenshire MP and Secretary of State for Housing, Communities and Local Government 7 May 2019 letter to SCR Mayor Dan Jarvis and Leaders of Barnsley, Doncaster, Rotherham and Sheffield councils
Appendix D	Draft D2N2 LEP and SCR LEP collaboration framework [SCR LEP Board meeting 20 May 2019]

For publication**Strengthened Local Enterprise Partnerships**

Meeting: Leader of the Council

Date: 5 July 2019

Cabinet portfolio: Leader of the Council

Report by: Chief Executive

For publication**1.0 Purpose of report**

1.1 To enable the Leader of the Council to make a final decision on Chesterfield Borough Council's membership of either Derby Derbyshire Nottingham Nottinghamshire (D2N2) Local Enterprise Partnership (LEP) **or** Sheffield City Region (SCR) LEP.

2.0 Recommendations

2.1 That Chesterfield Borough Council remains a member of D2N2 LEP and relinquishes its membership of SCR LEP.

2.2 That Chesterfield Borough Council remains a non-constituent member of SCR Mayoral Combined Authority (MCA).

2.3 That the Leader of the Council notifies the Secretary of State for Housing, Communities and Local Government, and the Chairs

of D2N2 and SCR LEPs of Chesterfield Borough Council's decisions.

- 2.4 That the change to Chesterfield Borough Council's membership status at SCR LEP takes effect from 1 April 2020.
- 2.5 That the Leader of the Council advises full Council on 17 July 2019 of the reasons behind the decisions made.

3.0 Background

- 3.1 At a meeting of full Council on 27 February, 2019 members received and considered a detailed report (attached at Appendix A) on HM Government's July 2018 review of Local Enterprise Partnerships (www.gov.uk/government/publications/strengthened-local-enterprise-partnerships).
- 3.2 Members noted, in particular, the Secretary of State for Housing, Communities and Local Government's requirement for all businesses and communities within particular geographies to be represented from 1 April 2020 by one LEP. This contrasts with the position that has existed since 2013 across many parts of England where the businesses and communities of particular local authority areas have been represented by two or more LEPs. This has been the case in Chesterfield borough, where our businesses and communities have been represented by both D2N2 LEP and SCR LEP.
- 3.3 In short, the Secretary of State will no longer allow the geographies of two LEPs to overlap.
- 3.4 Members also noted the Secretary of State's threat ... (a) to withhold payment of additional capacity funding to LEPs that fail to comply with the requirement to remove overlaps (a threat which James Brokenshire MP has seen through; D2N2 and SCR LEPs did not receive their full allocations of capacity

funding in 2018/19) **and** of far greater significance (b) to reduce the value of post-Brexit funding allocations (UK Shared Prosperity Fund) to non-compliant LEPs.

- 3.5 On 27 February 2019, CBC's preferred position was to remain as a member of both D2N2 and SCR LEPs and also as a non-constituent member of SCR MCA.
- 3.6 Members, however, recognised the fluid and dynamic nature of the matter at hand, with the Leader of the Council and Chief Executive (CEO) engaged in multiple conversations with key stakeholders (Ministry of Housing, Communities and Local Government [MHCLG], HM Government's Cities and Local Growth Unit¹, D2N2 and SCR LEPs, Derbyshire County Council (DCC) and neighbouring district councils) **and** the Leader of the Council under growing pressure for CBC to come to a final decision.
- 3.7 For the Leader of the Council to come to that final decision, the report to full Council also referenced the need for further clarity to be sought on a number of matters. These were:
- a) **Governance** – what positions of authority and influence would CBC (through the offices of the Leader of the Council and CEO) hold at D2N2 LEP or SCR LEP post 1 April 2020?
 - b) **Transitional arrangements** – how would D2N2 LEP and SCR LEP ensure that CBC, its businesses and communities suffer no detriment post CBC's decision to run with membership of only one of the two LEPs? This would apply to not only projects and programmes to which LEP funding had previously been allocated but equally to those in pipeline pending final LEP decisions.
 - c) **Collaboration** – due to the overlapping nature of Chesterfield borough's functional economic geography, CBC would want to know how the two LEPs would in the future look to collaborate (and engage CBC) in key activities and

¹ Cities and Local Growth Unit: Government's Local Growth Team – a partnership between the Department for Business, Energy and Industrial Strategy and the Ministry of Housing, Communities and Local Government

programmes, for example, the design and development of the LEPs' respective Local Industrial Strategies.

- d) **Enterprise Zone Business Rates** – should CBC choose to relinquish its membership of SCR LEP, what status would the Markham Vale Enterprise Zone (EZ) have at D2N2 LEP and what options would be available to CBC, as billing authority, to determine the future allocation of business rates growth arising from eligible developments within the EZ?

4.0 Further evidence

HM Government's position

- 4.1 MHCLG's position hasn't changed. In his 2 April 2019 letter to D2N2 and SCR LEP Chairs (attached at Appendix B), Jake Berry MP and MHCLG Minister of State writes ... *"the Government remains clear that overlaps reduce accountability, simplicity and clarity across the whole network of LEPs and ... should be removed"*.
- 4.2 Jake Berry MP, however, goes further ... *"in light of ... the fact that county councils hold responsibility for infrastructure, economic development and transport ... the cleanest solution is for all five districts in Derbyshire and Nottinghamshire to be in the same LEP as the county councils"*.
- 4.3 This further statement resonates with the 9 January 2019 opinions of the Cities and Local Growth Unit's Area Directors (East Midlands and South East Midlands and Yorkshire, Humber and North East)² that if CBC resolved to leave DCC's LEP of choice, i.e. D2N2 LEP, an exceptionally good business case would need to be made; in particular, there would need to be clarity on how CBC and DCC would continue to discharge their statutory responsibilities without detriment to their shared

² On 9 January 2019, the Leader of the Council hosted a meeting at Chesterfield Town Hall, which had been requested by the Leader of Bassetlaw District Council, involving the Cities and Local Growth Unit's Area Directors, the Chairs and Chief Officers of D2N2 and SCR LEPs and the Leaders and CEOs of Bassetlaw, North East Derbyshire, Bolsover and Derbyshire Dales District Councils

businesses and communities, and DCC would need to be supportive of CBC relinquishing its membership of D2N2 LEP.

- 4.4 In his 2 April 2019 letter, Jake Berry MP also re-affirms MHCLG's belief that CBC could and should remain a non-constituent member of SCR MCA. This is viewed as key to ensuring that D2N2 LEP and SCR LEP continue to collaborate across administrative boundaries on matters of strategy, policy and practice where their respective interests are aligned, for example, integrated rail strategy, HS2, strategic road networks.

Other district / borough councils in the D2N2 / SCR overlap

- 4.5 The 2 May 2019 local elections resulted in changes of political control and / or of leaders at North East Derbyshire, Bolsover and Derbyshire Dales District Councils. However, there is no new evidence to suggest that the 'in principle' positions of these councils, as articulated in their 29 January 2019 letters to the Chairs' of D2N2 LEP and SCR LEP, and James Brokenshire MP, MHCLG Secretary of State, and also that of Bassetlaw District Council have changed. All four wish to remain members of D2N2 LEP and non-constituent members of SCR MCA.
- 4.6 On 4 June 2019, the new Leader of North East Derbyshire District Council (NEDDC) also agreed to take up the Derbyshire district / borough council representative role on the main D2N2 LEP board. Such a step would not have been taken if NEDDC was minded to remain with SCR LEP and relinquish its membership of D2N2 LEP.
- 4.7 NEDDC's position presents a particular challenge as it means that Chesterfield borough would not have a contiguous border with South Yorkshire. At the afore-mentioned 9 January 2019 meeting with the Cities and Local Growth Unit, the Area Directors concluded that it would be difficult to envisage a situation where CBC remained a member of SCR LEP were

NEDDC to resolve to remain with D2N2 LEP (which is evidently the case based on their Leader's recent decision).

D2N2 LEP and SCR LEP

- 4.8 Whilst the obligation is on the Chairs' of D2N2 LEP and SCR LEP to come forward ... *"with considered proposals on geographies which best reflect real functional economies and remove overlaps"* ... it is clear that such proposals can only be finalised when CBC and the other district councils confirm their respective positions.
- 4.9 CBC is coming under increasing pressure from both LEP Chairs' to exercise its choice in the matter. D2N2 LEP and SCR LEP are both currently developing their respective Local Industrial Strategies without the benefit of the additional capacity funding that has been made available for this purpose to other LEPs, and both are also acutely aware of the Secretary of State's threat to reduce the value of post-Brexit funding allocations to non-compliant LEPs. It wouldn't be a good position for CBC to find itself in were the funding allocations to both LEPs cut because of its intransigence to make a decision.
- 4.10 The two LEP Chairs' (and their CEOs') have taken slightly different approaches in their more recent engagement conversations with CBC. SCR LEP had originally taken the standpoint of objecting to the requirement for the removal of overlaps but understandably this resistance has waned in the face of MHCLG's resolve to see the matter through. SCR LEP has therefore sought to respect CBC's sovereignty to come to an informed decision which best reflects the interests of its businesses and communities ... 'it is over to you ... you tell us what you want to do'.
- 4.11 In contrast, D2N2 LEP has sought to more actively engage CBC as evidenced in the following paragraphs (particularly 4.13, 4.22 and 4.23).

- 4.12 At full Council on 27 February 2019, members were advised that the only seat available at that time to the Leader of the Council within D2N2 LEP's proposed governance arrangements was the recently established D2N2 Leaders' Forum, a quarterly informing and consulting meeting environment where the Chair meets with the Leaders of all 19 councils that make up the D2N2 LEP geography.
- 4.13 On 4 June 2019, this position changed. The Leader of the Council has now been invited, alongside the Leader of Erewash Borough Council, to become a member of the D2N2 LEP Infrastructure Investment Board (IIB). Outside of the main LEP Board, which the Leader of the Council would probably have been appointed to if the political balance across Derbyshire's post-election district / borough council geography had favored Labour, the IIB is D2N2 LEP's main decision-making board; it is the Board where most funding allocation decisions are made. For reference, CBC's CEO has also been invited to join D2N2 LEP's new Innovation Board.
- 4.14 Whilst the Leader of the Council would continue to sit on the main LEP Board at SCR and be appointed to one of the sub-boards (as would CBC's CEO) if CBC chose SCR LEP over D2N2 LEP, it is evident that the power base at SCR has now largely shifted from the LEP to the MCA. This is consistent with other MCA geographies. It is also apparent and, indeed, understandable that Mayor Dan Jarvis's priority is to his South Yorkshire constituents; and so whilst he maintains a strong interest in the affairs of Chesterfield borough and is welcoming of CBC's involvement at SCR MCA, the Mayor's sphere of activity is increasingly limited to that geography.
- 4.15 The Leaders of the South Yorkshire councils have also made it clear, in informal meeting environments, that the non-constituent councils would not have access to the SCR devolution deal. The deal, which CBC's Leader and CEO helped to write and negotiate in October 2015, looks close to finally being agreed; however, as it stands Chesterfield borough

would not benefit from the devolution of powers and / or the £900 million of gain share funding that HM Government has committed to allocate to SCR MCA over the next 30 years.

- 4.16 There is also a significant risk that the SCR LEP and MCA could, from 2022, become part of a 'One Yorkshire' construct. Barnsley and Doncaster Metropolitan Borough Councils (MBCs) have continued to press HM Government for freedom to take such a path as part of the 'horse-trading' that has gone on around implementing the SCR devolution deal. In this regard, it does now appear that HM Government has conceded on this point, i.e. subject to Barnsley MBC and Doncaster MBC signing up to the October 2015 deal alongside Sheffield and Rotherham councils, the former will have the freedom to self-determine their respective futures in 2022 (see James Brokenshire MP's 7 May 2019 letter, which is attached at Appendix C).
- 4.17 Mayor Jarvis is equally supportive of a future 'One Yorkshire' approach to devolution.
- 4.18 CBC views becoming part of a 'One Yorkshire' approach as a step too far, and has informally communicated this position at both SCR Leader and CEO meetings.
- 4.19 If CBC was to remain a member of SCR LEP and relinquish its membership of D2N2 LEP, there is therefore a good chance that we would be leaving in two years' time; where upon we are unlikely to be warmly received back at D2N2 LEP having rejected the positive advances that are currently being made.
- 4.20 At the time of writing, CBC has only one funding application in the SCR LEP / MCA pipeline, i.e. our Autumn 2018 submission for skills capital funding to support the construction of the new Derbyshire Rail Industry Innovation Vehicle (DRIIVE) at Barrow Hill roundhouse.

- 4.21 CBC's original submission was for a sum of £8.6 million. However, the current pipeline shows a provisional commitment of just £2 million. This is in the main due to the SCR skills capital fund being over-subscribed. Whilst CBC's officers will continue to make the case to SCR LEP for the funding, CBC's stance on LEP geography is likely to have a bearing on the final decision; i.e. ... 'go with D2N2 LEP and questions will inevitably be asked as to whether SCR LEP should allocate skills capital funding for the DRIIVE project'.
- 4.22 This had been a significant concern for CBC as D2N2 LEP had confirmed that all of its external funds were fully committed. However, there has been a change in recent weeks. D2N2 LEP has now announced that a new 'call for proposals' will be launched this Autumn and CBC encouraged to make an application for D2N2 LEP funds to support the DRIIVE project.
- 4.23 There has also been a noticeable shift towards D2N2 LEP and the East Midlands in terms of where CBC has sought to access new external funding. Examples include:
- (a) Housing Infrastructure Fund (HIF) funding – East Midlands Councils has led on a consortium bid for £100 million HIF investment. The Chesterfield component, which has been formulated in concert with DCC, is a £7.8 million 'ask' for funding to support construction of the new railway station approach road.
 - b) Local Growth Fund (LGF) Round 3 funding – at the invitation of D2N2 IIB, CBC has now submitted a Strategic Outline Business Case for £2.4 million from the Strategic HS2 Sites LGF programme. The proposition in the Business Case is in two parts:
 - (i) to engage with key landowners and acquire specific sites for re-development in proximity to Chesterfield railway station; and

- (ii) to establish a joint venture with the owners of a priority site within the same corridor, again for re-development.
- (c) Chesterfield Staveley Regeneration Route (CSRR) – DCC has submitted an Expression of Interest through Midlands Connect to the Large Local Majors Fund to support construction of the new £90 million (est.) CSRR. Our understanding is that Midlands Connect will make its decision at the end of June with regards to whether to recommend the CSRR to the Department for Transport for further review and consideration.

Derbyshire County Council (DCC)

- 4.24 Post the ‘abrasive’ public campaigning and counter-campaigning that went on in 2016 and the High Court judgement handed down early 2017 with regards CBC’s ambition to achieve full member status at SCR MCA, CBC and DCC have sought to forge a new working relationship; which acknowledges that the former cannot deliver on its £2 billion plus growth plans (inclusive of HS2 related investment) without the latter’s full co-operation and engagement.
- 4.25 The two councils have made good progress, as evidenced by the collaborative working that has been needed to bring forward the external funding applications referenced in paragraph 4.23 above. CBC was also very grateful for DCC’s support, at member and officer level, with our location ‘pitch’ to Talgo. To further consolidate this relationship, CBC and DCC are now looking to establish a joint growth unit to accelerate the pace of delivery of Chesterfield borough’s key regeneration projects, including Waterside, Peak Resort, Northern Gateway, CSRR and Chesterfield HS2 Station Master-plan.
- 4.26 If CBC was to resolve to run with SCR LEP and not D2N2 LEP, it would be reasonable to expect DCC to de-prioritise some of the afore-mentioned projects and activities in favour of working

with other Derbyshire district / borough councils. Given the good progress and standing of the two councils' current working relationship and the 'real' potential of a joint growth unit to accelerate the pace of delivery on the ground, it could therefore be viewed as detrimental to the interests of our businesses and communities for CBC to remain with SCR LEP.

Collaborative working and transitional arrangements

- 4.27 CBC is also encouraged by the work that D2N2 LEP and SCR LEP are currently taking forward with regards to how the two LEPs propose to continue to collaborate post the final decisions of the 5 district / borough councils that sit in the overlapping geography. A draft collaborative agreement (attached at Appendix D) has been prepared, which commits the two LEPs to co-operate over such matters as the development of Local Industrial Strategies. This is considered essential irrespective of CBC's final decision. CBC would want to continue to be involved in the future design and development of the key strategies of both LEPs; acting in the best interests of Chesterfield borough's businesses and communities who are largely uninterested in and unconstrained by matters of overlapping geography.
- 4.28 The draft collaborative agreement also helpfully defines which of the two LEP's would be accountable for the future monitoring of projects and programmes that have already benefitted from LEP funding, i.e. where SCR funds have been allocated (for example, for Chesterfield Waterside, Northern Gateway and Peak Resort) SCR LEP would continue in perpetuity to monitor outputs and outcomes and enforce any claw back provisions, as appropriate; similarly D2N2 LEP would fulfil similar accountabilities in respect of any previously allocated D2N2 funds (for example, those for the University of Derby's St Helena campus and Markham Vale).

Enterprise Zone Business Rates

- 4.29 HM Government's Cities and Local Growth Unit have now issued advice to CBC on the matter of EZ business rates. It is clear that if CBC resolves to remain with D2N2 LEP and relinquish its membership of SCR LEP, Markham Vale's standing as an EZ endures, as primary legislation would be required to change its designation.
- 4.30 It is also clear that CBC, as billing authority, ultimately has the right to determine how the business rates uplift from the Markham Vale EZ is allocated post April 2020 through 2037.
- 4.31 CBC, however, must have regards to HM Government policy, which states that ... *"all Enterprise Zone business rates growth should be retained by the local area, to support local economic priorities and ensure that Enterprise Zone growth is reinvested locally"*.
- 4.32 To date CBC has complied with this policy through pass-porting in full all business rates growth arising from Markham Vale EZ to SCR LEP. This has been the policy position of all SCR councils whose geographies benefit from EZ sites (i.e. Sheffield, Barnsley and Rotherham councils). CBC has, however, negotiated with SCR LEP and MCA a policy change in the current financial year 2019/20 where any business rates growth above £1 million is rebated to the billing authority. This means that CBC stands to benefit from a one-off rebate of £890k in 2019/20 on the basis that the business rates growth from Markham Vale EZ is forecast to be £1.89 million.
- 4.33 Whilst CBC 'holds the pen' on this matter, if the council did resolve to remain with SCR LEP, it is likely that the current pass-porting arrangements would be expected to continue. In light of the informal stance taken by the South Yorkshire councils on the SCR devolution deal, i.e. that CBC would not benefit from the devolution of powers or the gain share funding, it is

doubtful whether CBC would want to continue to pass-port £1 million each and every financial year to SCR LEP through 2037.

- 4.34 CBC therefore finds itself in the position of being able to self-determine its future position on this particular matter; though it would need to evidence to the satisfaction of MHCLG and D2N2 LEP that all retained EZ business rates growth arising from Markham Vale EZ would be reinvested locally and defrayed on local economic priorities. Whilst arguments are likely to be put forward for some of the business rates growth to be pass-ported to D2N2 LEP to reflect the sentiment within HM Government's original EZ policy prospectus, CBC believes a strong case exists for the whole sum to be retained to support spend on local economic priorities, including funding of the afore-mentioned joint growth unit and prudential borrowing of capital for investment in new infrastructure projects and programmes.
- 4.35 Assuming negotiations with D2N2 LEP and SCR LEP on the matter of EZ business rates can be concluded through the summer months, it is proposed to prepare a report for the October 2019 meeting of Council that enables members to consider and agree a new policy for dealing with business rates growth arising from developments within the Markham Vale EZ.
- 4.36 It is also proposed that Council on 17 July 2019 considers and approves a recommendation from the 16 July 2019 meeting of CBC's Joint Cabinet and Employment and General Committee with regards to funding of the afore-mentioned joint growth unit with DCC.

5.0 Risk management

Remain with D2N2 LEP and relinquish membership of SCR LEP

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Loss of influence in LEP decision-making meetings	High	High	CBC (Leader) appointed to D2N2 LEP IIB; also CEO to D2N2 Innovation Board CBC's statutory right to continue to attend SCR MCA	High	Low
Loss of access to SCR skills capital funding for DRIIVE project	High	High	CBC will continue to make case for SCR skills capital funding CBC to apply to new D2N2 LEP 'call for projects' (Autumn 2020) CBC to consider using EZ business rates growth as revenue stream against which to borrow capital to fund DRIIVE project	High	Medium
Loss of influence over design and development of key SCR strategies	High	High	Effective implementation of D2N2 LEP and SCR LEP collaboration agreement giving CBC right and opportunity to influence design and development of key future D2N2 LEP and SCR LEP strategies	High	Medium
Loss of certainty over management of previously allocated LEP funds	High	Medium	Effective implementation of D2N2 LEP and SCR LEP collaboration agreement giving respective LEPs management control over previously allocated LEP funds	High	Low

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Loss of control over business rates growth arising from Markham Vale EZ	High	High	SCR LEP rebate policy agreed for 2019/20 Primary legislation required to de-designate MV EZ; not HM Government priority CBC as billing authority has right to determine future allocation of business rates growth post April 2020 (subject to evidencing to the satisfaction of MHCLG and D2N2 LEP that growth would be reinvested locally and on local economic priorities)	High	Low

Remain with SCR LEP and relinquish membership of D2N2 LEP

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Loss of influence in LEP decision-making meetings	High	High	CBC (Leader) appointed to SCR LEP Board and Leader and CEO to other key sub-boards CBC's statutory right to continue to attend SCR MCA	High	Low
SCR MCA and LEP moves to be part of 'One Yorkshire' structure	High	Medium	No real mitigating action(s); this would be a step too far for CBC	High	Medium
Loss of influence over design and development of key D2N2 strategies	High	High	Effective implementation of D2N2 LEP and SCR LEP collaboration agreement giving CBC right to influence design and development of key future D2N2 LEP and SCR LEP strategies	High	Medium

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Loss of certainty over management of previously allocated LEP funds	High	Medium	Effective implementation of D2N2 LEP and SCR LEP collaboration agreement giving respective LEPs management control over previously allocated LEP funds	High	Low
Loss of control over business rates growth arising from Markham Vale EZ	High	High	<p>SCR LEP rebate policy agreed for 2019/20</p> <p>Primary legislation required to de-designate MV EZ; not HM Government priority</p> <p>CBC as billing authority has right to determine future allocation of business rates (subject to evidencing to the satisfaction of MHCLG and SCR LEP that growth would be reinvested locally and on local economic priorities)</p> <p>CBC open to negotiation with SCR LEP to find optimal solution</p>	High	Low

Remain with both D2N2 LEP and SCR LEP

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
HM Government withholds additional capacity funding in 2019 / 20, made available to support LEPs with the design and development of their respective Local Industrial Strategies, from	High	High	D2N2 LEP and SCR LEP could continue to make the case to HM Government that they have sought to comply with the LEP review but have no means of enforcing removal of the overlap where CBC or any other district / borough council declines	High	High

D2N2 LEP and SCR LEP and further penalises D2N2 LEP and SCR LEP by reducing their respective post-Brexit funding allocations			to come to a view on the matter		
Loss of reputation with HM Government, D2N2 LEP and SCR LEP (and other stakeholders) leading to withdrawal of support and funding for CBC's priority growth activities	High	High	CBC could continue to evidence case and arguments for retention of overlapping geography but would still be seriously disadvantaged in its ability to access funding to support its priority growth activities	High	High
Loss of influence in LEP decision-making meetings	High	High	CBC (Leader) could continue to hold position on SCR LEP Board and the Leader and CEO on other key sub-boards CBC could continue to exercise its statutory right to continue to attend SCR MCA Invite for Leader to join D2N2 IIB would more than likely be withdrawn	High	High
Loss of influence over design and development of key D2N2 and SCR strategies	High	High	Effective implementation of D2N2 LEP and SCR LEP collaboration agreement but CBC's ability to influence the design and development of key future D2N2 and SCR strategies would be seriously undermined by its intransigence to make a decision, and place at risk future funding allocations	High	High

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Loss of control over business rates growth arising from Markham Vale EZ	High	High	SCR LEP rebate policy agreed for 2019/20 Primary legislation required to de-designate MV EZ; not HM Government priority CBC as billing authority has right to determine future allocation of business rates growth post April 2020 (though the matter is likely to be subject to enhanced scrutiny by MHCLG and both LEPs)	High	Medium

6.0 Other considerations

Financial

- 6.1 CBC currently pays an annual membership subscription of £4k to SCR LEP and MCA. This would continue to be paid on the basis of the recommendation that CBC remains a non-constituent member of SCR MCA.
- 6.2 A fuller narrative on CBC's position with regards the specific matter of business rates growth arising from eligible developments within the Markham Vale EZ is already provided at paragraphs 4.29 to 4.36. In summary, CBC will:
- (a) pass-port £1m of business rates growth to SCR LEP in 2019/20 and retain all growth above £1m for re-investment locally and on local economic priorities; this accords with CBC's current policy and SCR LEP's / MCA's recently approved SCR EZ business rates growth rebate policy;

- (b) prepare a report for Council in October 2019 that enables members to consider and agree a new policy for dealing with EZ business rates growth; in this regard, a strong case will be made for all growth to be re-invested locally and defrayed on local economic priorities.
- 6.3 If CBC remains a member of D2N2 LEP and relinquishes its membership of SCR LEP, it will no longer have the facility from 1 April 2020 to continue to apply for relevant devolved funds from SCR LEP. This is because HM Government will discontinue, as of that date, its current practice of splitting CBC's notional allocation(s) 50:50 between the two LEPs.

Legal

- 6.4 There are no legal reasons why the Leader of the Council cannot resolve to agree to the recommendations, as set out at sections 2.0 and 8.0 of this report.
- 6.5 On 19 March 2019, members of the D2N2 LEP Board approved Articles of Association establishing the D2N2 LEP as a company limited by guarantee; this action gave effect to another of HM Government's July 2018 LEP review requirements that all LEPs should adopt a legal personality with effect from 1 April 2019. CBC is named as one of 15 district councils to which the Articles of Association apply.
- 6.6 CBC is also named as a non-constituent council in The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014 and in sequential orders, and is therefore statutorily and constitutionally bound into the SCR MCA. As referenced at paragraph 4.4, Jake Berry MP in his 2 April 2019 to D2N2 LEP and SCR LEP Chairs also re-affirms MHCLG's belief that CBC could and should remain a non-constituent member of SCR MCA post 1 April 2020.

Equalities

- 6.7 HM Government, through James Brokenshire MP and Jake Berry MP, continues to emphasise that should D2N2 LEP and SCR LEP fail to comply with the requirement to remove overlaps, they will not receive their full allocations of additional capacity funding **and** risk receiving less funding than other LEPs when post-Brexit funding allocations are released.
- 6.8 Such a loss of funding would inevitably have a negative impact on CBC's communities, including those with protected characteristics, and equally have a similar impact on communities in all parts of D2N2 and SCR. It is therefore considered in the best interests of all D2N2 and SCR communities for CBC to come to an informed and considered view on this matter.
- 6.9 Throughout CBC's multi-year involvement in D2N2 LEP and SCR LEP, the optimisation of benefits for our communities, including those with protected characteristics has been a key consideration. As already referenced at paragraph 4.27, CBC would want to continue to be involved in the future design and development of the key strategies of both LEPs. CBC is therefore encouraged by the work that D2N2 LEP and SCR LEP are currently taking forward with regards to how the two LEPs propose to continue to manage the transition through to, and build collaborative arrangements from 1 April 2020.
- 6.10 CBC will therefore continue to engage, at every opportunity, in the design and development of the joint D2N2 LEP and SCR LEP collaboration agreement to optimise the positive impacts and minimise the negative impacts for our communities.

7.0 Alternative options and reasons for rejection

- 7.1 CBC could choose to remain as a member of SCR LEP and SCR MCA and relinquish its membership of D2N2 LEP. However, this

option is rejected on the basis of the further detailed evidence provided in section 4.0 of the report.

- 7.2 CBC could also choose to remain as a member of D2N2 LEP and SCR LEP. However, as has already been referenced, if CBC was to take such a stance it would be placing at serious risk the ability of the two LEPs to realise the full value of post-Brexit funding allocations to which they would otherwise be entitled; which is clearly not in the best interests of the borough's businesses and communities or indeed of any businesses and communities located within the D2N2 and SCR geographies.

8.0 Recommendations

- 8.1 That Chesterfield Borough Council remains a member of D2N2 LEP and relinquishes its membership of SCR LEP.
- 8.2 That Chesterfield Borough Council remains a non-constituent member of SCR Mayoral Combined Authority (MCA).
- 8.3 That the Leader of the Council notifies the Secretary of State for Housing, Communities and Local Government, and the Chairs of D2N2 and SCR LEPs of Chesterfield Borough Council's decisions.
- 8.4 That the change to Chesterfield Borough Council's membership status at SCR LEP takes effect from 1 April 2020.
- 8.5 That the Leader of the Council advises full Council on 17 July 2019 of the reasons behind the decisions made.

9.0 Reasons for recommendations

- 9.1 To provide clarity on CBC's position with regards HM Government's LEP review and enable D2N2 LEP and SCR LEP to finalise their individual and collective submissions in terms of

demonstrating compliance with the review's requirements for overlapping geographies to be removed.

Glossary of Terms	
D2N2	Derby, Derbyshire, Nottingham, Nottinghamshire
SCR	Sheffield City Region
LEP	Local Enterprise Partnership
MCA	Mayoral Combined Authority
MHCLG	Ministry of Housing, Communities and Local Government
IIB	Infrastructure Investment Board
EZ	Enterprise Zone
HIF	Housing Infrastructure Fund
LGF	Local Growth Fund
CSRR	Chesterfield Staveley Regeneration Route
DRIVE	Derbyshire Rail Industry Innovation Vehicle

Decision information

Key decision number	883
Wards affected	All
Links to Council Plan priorities	<ol style="list-style-type: none"> 1) Making Chesterfield a thriving borough 2) Improving the quality of life for local people 3) Delivering value for money services

Document information

Report author	Contact number/email
Dr Huw Bowen Chief Executive	01246 345308 huw.bowen@chesterfield.gov.uk
Background documents These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Appendix A	Council report: Strengthened Local Enterprise Partnerships [Council 27 February 2019]
Appendix B	Jake Berry MP and Minister of State for Housing, Communities and Local Government 2 April 2019 letter to Elizabeth Fagan, Chair, D2N2 LEP and James Muir, Chair, SCR LEP
Appendix C	James Brokenshire MP and Secretary of State for Housing, Communities and Local Government 7 May 2019 letter to SCR Mayor Dan Jarvis and Leaders of Barnsley, Doncaster, Rotherham and Sheffield councils
Appendix D	Draft D2N2 LEP and SCR LEP collaboration framework [SCR LEP Board meeting 20 May 2019]

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For publication**Strengthened Local Enterprise Partnerships (R000)**

Meeting:	Council
Date:	27.02.2019
Cabinet portfolio:	Leader of the Council
Report by:	Chief Executive Assistant Director – Policy and Communications

1.0 Purpose of report

- 1.1 This report updates members on HM Government's review of Local Enterprise Partnerships (LEPs) and seeks delegated authority for the Leader of the Council to respond to the review and to make a final decision on council membership of the Sheffield City Region (SCR) and Derby, Derbyshire, Nottingham, Nottinghamshire (D2N2) LEPs.

2.0 Recommendations

- 2.1 That Council notes the requirements of HM Government's review of Local Enterprise Partnerships, the current positions of the Secretary of State for Housing, Communities and Local Government and his officials and also those of SCR and D2N2 LEPs, and the emerging positions of neighbouring councils.

2.2 That the Leader is given delegated authority to respond to HM Government's Local Enterprise Partnerships review and to make the final decision on council membership of SCR and D2N2 LEPS.

2.3 That the Leader reports back to full Council at the earliest opportunity informing members of the final decision taken and clearly setting out for members the rationale for that decision.

3.0 **Background**

3.1 In November 2017 HM Government announced in its Industrial Strategy its intention to conduct a review of LEP roles and responsibilities; the review was to look in particular at matters of leadership, governance, accountability, financial reporting and geographical boundaries.

3.2 The Ministry of Housing, Communities and Local Government (MHCLG) published the review 'Strengthened Local Enterprise Partnerships' in July 2018 (www.gov.uk/government/publications/strengthened-local-enterprise-partnerships.)

4.0 **Strengthened Local Enterprise Partnerships**

4.1 MHCLG has firstly set out within the review a number of new requirements of LEPS around leadership and organisational development whilst also making commitments to support implementation, in particular, through the provision of additional short-term capacity funding. These requirements and commitments include:

- Development of a national training programme for LEPS
- Up to £20million over the two financial years 2018/19 and 2019/20 in additional capacity funding

- Introduction of a defined term of office for LEP Chairs and Deputy Chairs
- Changes to the composition of LEP boards – a maximum of 20 persons on the board (with the ability to co-opt up to five additional board members) and two thirds of board members to be from the private sector
- Changes to the diversity of board membership specifically gender balance and representation from people with protected characteristics

4.2 Improved accountability and performance are also important features of the review, including:

- A new requirement for LEPs to publish annual performance reports and to also hold their annual general meetings in public
- Revision of the national assurance framework to clarify the Government's approach to intervention should a LEP be found to be underperforming
- Defined responsibilities for the Chair, Board, Directors and Accountable Bodies over spending decisions, appointments and governance matters

4.3 However, the most controversial element of MHCLG's review was always going to be around geography. All LEP Chairs and other stakeholders were asked to come forward by 29 September 2018 with considered proposals on geographies which best reflect real functional economic areas and remove overlaps. MHCLG also made payment of the afore-mentioned capacity funding contingent on the satisfactory development of these proposals and gave warning that the value of future post-Brexit funding allocations (the UK Shared Prosperity Fund) to LEPs would similarly be impacted should LEPs not comply with the requirement to remove overlaps.

4.4 In addition, in areas with a Mayoral Combined Authority (MCA), LEPs were strongly encouraged to move towards co-terminous geographies with the MCAs.

4.5 These new requirements have created significant challenges for many local authorities across England in particular those in overlapping geographies, which is the case for Chesterfield Borough Council (CBC).

5.0 CBC and LEP-ography

5.1 CBC has been a formal partner in SCR LEP since 2013, along with three other Derbyshire districts (Bolsover, Derbyshire Dales and North East Derbyshire) and Bassetlaw district council in Nottinghamshire. CBC is also a non-constituent member of SCR MCA. This status affords the Leader of the Council a seat on the LEP board and at the MCA and Leader / Chief Executive representation on some of the sub-board/sub-MCA governance structures. CBC's officers are also invited to all LEP officer groups.

5.2 CBC is also a partner in D2N2 LEP. Due to the larger number of local authorities that make up the LEP geography the Leader does not have a seat on the board. CBC, as is the case for all 8 district / borough councils in Derbyshire, is represented on the board by the Leader of High Peak Borough Council. CBC also currently has no member / officer representation on any of the sub-board governance structures; however, officers do attend some of the LEP officer groups.

5.3 More recently, the new Chair of D2N2 LEP has established a new Leaders' Forum to improve communications and engagement with the leaders of all 19 D2N2 local authorities. The Leader of the Council attended the first meeting in December 2018 and more are planned on a quarterly basis.

5.4 CBC's involvement in both LEPs reflects our functional economy geography which looks north towards Sheffield and South Yorkshire, our travel to work and housing market areas

which comprise Chesterfield borough alongside Bolsover, North East Derbyshire and Bassetlaw districts, and our place in the administrative county of Derbyshire. CBC has also worked its standing in the overlapping geography as well as any council, as evidenced by the significant benefits that have been achieved for our residents and businesses. In this regard, Appendix 1 highlights the main funding streams which we have secured respectively from SCR and D2N2 LEPs.

6.0 The SCR/D2N2 overlap

- 6.1 Overlaps emerged when LEPs were first established and affect several areas of the country; at the time the Department for Communities and Local Government (now MHCLG) actively canvassed councils such as ourselves to join LEPs whose geography best reflected how their economy worked and also took steps to allocate Government funding streams to LEPs on a notional 50:50 basis where a council bridged two LEP geographies.
- 6.2 As is already referenced in paragraph 4.3, MHCLG is now taking a very different line, insisting that overlaps must be removed and that councils can only be part of one LEP.
- 6.3 MHCLG's approach to enforcing this position is also interesting in that their stated intent is to financially penalise (paragraph 4.3 again refers) LEPs that default on this requirement.
- 6.4 In response to MHCLG's ask for LEP Chairs and other stakeholders to come forward with their proposals by 29 September 2018, D2N2 LEP made the case for all five overlap districts, including Chesterfield borough to become members solely of D2N2 LEP. SCR LEP, however, resisted MHCLG's direction and made the case for the overlap to be retained and for the five overlap districts to continue their membership of both LEPs.

- 6.5 This latter position matched that of the five overlap districts, with Chesterfield borough's specific representations on the matter set out in a carefully worded letter from the Leader of the Council to the Chair of D2N2 LEP. This was dated 7 September 2018 and is attached, for reference, at Appendix 2.
- 6.6 Due to this impasse, The Right Hon. James Brokenshire, Secretary of State at MHCLG, met with the Chairs of D2N2 and SCR LEPs on 6 November 2018 and subsequently clarified his position in writing. This letter is attached at Appendix 3.
- 6.7 The Secretary of State's letter was followed by a 4 December 2018 letter to the Chair of D2N2 LEP and Vice Chair of SCR LEP from the relevant Area Directors at the Cities and Local Growth Unit (see Appendix 4 for a copy of the letter).
- 6.8 Both the Secretary of State and the Area Directors were unequivocal in re-affirming MHCLG's insistence that districts such as Chesterfield borough could only be members of one LEP.
- 6.9 The Secretary of State was, however, more relaxed about councils potentially retaining their non-constituent membership of a MCA covering a particular geography whilst at the same time being members of a LEP whose remit extended over a different geography. The Secretary of State recognised that there needed to be strong collaboration between neighbouring LEPs to reflect areas of shared economic geography and viewed this as one of the mechanisms to support effective collaboration.
- 6.10 This means in practice that CBC could in future be a member of both SCR LEP and MCA or a member of D2N2 LEP and SCR MCA. The latter option is not, however, a given as it is for SCR MCA, as a corporate body in its own right, to determine whether it would wish CBC to retain its non-constituent

membership status after resolving to no longer be a member of SCR LEP.

- 6.11 On 9 January 2019, the Leader of the Council hosted a meeting at Chesterfield Town Hall involving the Area Directors, the Chairs and Chief Officers of D2N2 and SCR LEPS and the Leaders and Chief Officers of the overlap districts. At this meeting, all of the above was again referenced and, in particular, MHCLG's resolve to not allow CBC and other overlap districts continuing dual membership of SCR and D2N2 LEPS.
- 6.12 The Area Directors, however, went further in making it clear that if a district or borough wanted to leave the LEP of choice of its county council an exceptionally good business case would need to be made, there would need to be clarity on how the district and county councils would continue to discharge their statutory responsibilities without detriment to residents and businesses, and the county council would need to be supportive of such an arrangement. In Chesterfield borough's case, it is highly unlikely that Derbyshire County Council would accede to CBC continuing to be a member of SCR LEP and not a member of D2N2 LEP.
- 6.13 The Area Directors also concluded that it would be difficult to envisage a situation where Chesterfield borough remained as a member of SCR LEP were North East Derbyshire district to resolve to run with membership of D2N2 LEP. This is on the basis that Chesterfield borough would no longer have a contiguous border with the South Yorkshire local authorities.
- 6.14 This latter position has become more of a reality in recent weeks as we understand that the Leaders of North East Derbyshire, Bolsover and Derbyshire Dales districts have now written to the Secretary of State at MHCLG and to the SCR and D2N2 LEP Chairs advising of their 'in-principle' decision to retain membership of D2N2 LEP and non-constituent

membership of SCR MCA. We also, however, understand that this 'in principle' decision is subject to receipt of satisfactory assurances from the Secretary of State and D2N2 LEP.

7.0 Future LEP membership

- 7.1 It is evident from the above that Chesterfield borough's LEP future is a very fluid and dynamic matter, which is why delegated authority is now sought from full Council for the Leader of the Council to make the final decision.
- 7.2 MHCLG's position is clear that CBC can only be a member of one LEP. And whilst the onus is on SCR and D2N2 LEPs to come up with the solution, as it stands it is also clear that CBC will ultimately be required to exercise a choice.
- 7.3 At the time of writing this report, CBC's position is unchanged – we remain committed to being members of both SCR and D2N2 LEPs; and, for completeness, a non-constituent member of SCR MCA. We also understand this to be the position of Bassetlaw District Council.
- 7.4 It is also evident that the matter of overlapping geography is not unique to SCR and D2N2 LEPs, for example, councils in the West Midlands are also currently resisting MHCLG's advances. They similarly see no need to remove overlaps.
- 7.5 In this standstill period, however, it makes sense for CBC to continue to seek clarity on a number of matters. These include:
- a) **Governance** – both SCR and D2N2 LEPs have undertaken recent reviews of their governance arrangements; and we are waiting to see what positions of authority and influence will be afforded to the Leader of the Council and Chief Executive. At SCR, it is anticipated that the Leader of the Council will continue to have a seat on the LEP Board

and the Leader and Chief Executive respectively seats on at least one sub-Board, e.g. skills, business growth, housing etc. At D2N2, the Leader of the Council will not have a seat on the LEP Board but the Leader and / or Chief Executive are likely to have seats respectively on at least one sub-Board. There is also then the new D2N2 Leaders' Forum (see paragraph 5.3 above).

- b) **Transitional arrangements** – there needs to be clarity from both SCR and D2N2 LEPs on how they will ensure CBC, its residents and businesses suffer no detriment should the council ultimately make or have to make a decision to run with membership of one of the two LEPs. This position applies not only to projects and programmes to which LEP funding has previously been assigned but equally to projects and programmes for which the council is currently making funding applications, e.g. the submission made in Autumn 2018 for SCR skills capital funding to support the construction of a new rail research and innovation centre at Barrow Hill Engine Shed.

- c) **Collaboration** – Due to the overlapping nature of Chesterfield borough's functional economic geography, it is important that the two LEPs set out in advance how they intend to collaborate and engage on key activities and programmes, in particular the development of Local Industrial Strategies. This is considered essential irrespective of whatever final decision CBC arrives at. The council will want to be involved in the future design and development of the key strategies of both LEPs; in so doing acting in the best interests of the borough's residents and businesses who are largely uninterested in and unhindered by HM Government's Local Enterprise Partnerships review.

- d) **Enterprise Zone Business Rates** – parts of Markham Vale are within SCR LEP’s Enterprise Zone (EZ). EZ benefits, including enhanced capital allowances, simplified planning arrangements and superfast broadband have encouraged new businesses to locate to Markham Vale. In line with Government policy and the positions of Sheffield, Rotherham and Barnsley councils, CBC currently passports the business rates uplift arising from new investments within the EZ geography to SCR LEP to support funding of SCR’s Executive. Clarity has therefore been sought from HM Government’s Cities and Local Growth Unit on the options available to CBC should the council relinquish its membership of SCR LEP, which is likely to mean the EZ at Markham Vale falling within the responsibility of D2N2 LEP.

8.0 Considerations

- 8.1 There are no legal, human resources or equality and diversity issues arising from this report at this stage. However further analysis of financial implications, and additional assessments of risks and opportunities will be required should CBC ultimately choose to or have to comply with MHCLG’s policy direction that the Council from April 2020 can only be a member of one LEP. Such analysis and assessments will form a key part of the Leader’s future considerations.

9.0 Recommendations

- 9.1 That Council notes the requirements of HM Government’s review of Local Enterprise Partnerships, the current positions of the Secretary of State for Housing, Communities and Local Government and his officials and also those of SCR and D2N2 LEPs, and the emerging positions of neighbouring councils.
- 9.2 That the Leader is given delegated authority to respond to HM Government’s Local Enterprise Partnerships review and to

make the final decision on council membership of SCR and D2N2 LEPs.

- 9.3 That the Leader reports back to full Council at the earliest opportunity informing members of the final decision taken and clearly setting out for members the rationale for that decision.

10.0 Reason for recommendation

- 10.1 To enable the Leader of the Council to respond on behalf of the full Council, in a timely manner, to HM Government's Local Enterprise Partnerships review; acting in the best interests of the borough's residents and businesses.

Decision information

Key decision number	867
Wards affected	ALL

Document information

Report author	Contact number/email
Huw Bowen Chief Executive	<u>Huw.Bowen@chesterfield.gov.uk</u>
Donna Reddish Assistant Director - Policy and Communications.	<u>Donna.Reddish@chesterfield.gov.uk</u>
Appendices to the report	
Appendix 1	Financial benefits secured through participation in the SCR and D2N2 LEPs
Appendix 2	7 September 2018 letter from Cllr Tricia Gilby to Elizabeth Fagan, Chair of D2N2 LEP
Appendix 3	14 November 2018 letter from The Rt Hon James Brokenshire MP, Secretary of State for Housing, Communities and Local Government to Chairs of SCR and D2N2 LEPs
Appendix 4	4 December 2018 letter from Andrew Batterbee and Rowena Limb, Area Directors, Cities and Local Growth Unit to D2N2 LEP Chair and SCR LEP Vice-Chair

Financial benefits secured through participation in the SCR and D2N2 LEPs

Programme	SCR LEP/MCA	D2N2 LEP
Infrastructure	<p>Parts of Markham Vale are located within the SCR Enterprise Zone, with businesses moving to the EZ potentially benefitting from up to £100m of enhanced capital allowances.</p> <p>A SCR LEP sponsored bid to the Government's Enterprise Zone Capital Grant Fund secured £14m of funding to support the construction of the Seymour Link Road and site works at Markham Vale North.</p> <p>Four schemes have benefited from capital investment from the Sheffield City Region Infrastructure Fund (SCRIF) programme:</p> <ul style="list-style-type: none"> - Markham Vale Seymour Link Road £3.1m - Chesterfield Waterside £2.7m - Peak Resort £2.85m - Chesterfield Northern Gateway £5.83m 	<p>Two schemes have benefited from capital investment from D2N2 LEP's Local Growth Fund:</p> <ul style="list-style-type: none"> - Markham Vale Seymour Link Road £2.52m - University of Derby St Helena's campus £3.48m <p>D2N2 LEP has also made a funding allocation of £16.04m for the A61 Corridor / Whittington Moor project, covering both Chesterfield borough and North East Derbyshire district, for completion by 2020/21.</p> <p>The project comprises 5 scheme elements:</p> <ul style="list-style-type: none"> - Chesterfield Station masterplan - Avenue southern access road - 21st Century transport corridor - Standard gauge for sustainable travel - A61 Whittington Moor roundabout. <p>Plans for the Whittington Moor roundabout have since been withdrawn (following public consultation) and a small scale scheme will now be funded through DCC's own resources.</p> <p>D2N2 LEP has also made a provisional allocation of £1m from D2N2's 'HS2 strategic sites' strand to support site acquisition in the Chesterfield station masterplan area (subject to submission of approved business case).</p>

<p>Housing</p>	<p>A provisional funding allocation (£1.79m) has been made from SCR LEP's Housing Fund to support housing scheme delivery on Brimington Rd (subject to submission and approval of a strategic business case).</p>	
<p>HS2 Station Masterplan</p>	<p>SCR LEP has allocated £130,000 to support the development of the HS2 station detailed master plan.</p>	<p>D2N2 LEP has allocated £110,000 to support the development of the HS2 station outline master plan.</p>
<p>Business Support</p>	<p>Eight Chesterfield companies have received total grants of £1.36m from SCR LEP's Unlocking Business Investment Programme.</p> <p>A further 6 Chesterfield companies have received grants totalling £440k from SCR LEP's Business Investment Fund (with the fund still open for new applications).</p> <p>Chesterfield businesses also receive on-going general and specialist support via the SCR LEP's Growth Hub.</p>	<p>Two companies have received total grant of £140k via D2N2 LEP's Unlocking Investment for Growth RGF programme.</p> <p>D2N2 LEP's Growth Hub provided initial funding to enable CBC to create a full-time business advisor post to support Chesterfield businesses. D2N2 Growth Hub ESIF project has now provided continuation funding for the post (£165k in 2 phases).</p> <p>Chesterfield businesses also receive on-going general and specialist support via the D2N2 LEP's Growth Hub.</p>
<p>Skills and Employment</p>	<p>SCR LEP's Skills Made Easy Programme has provided funding of £496k to 186 Chesterfield businesses to support apprenticeships and workforce up-skilling.</p> <p>40 Chesterfield businesses have also received funding of £357k from the SCR LEP's Skills Bank to support up-skilling of the workforce. Skills Bank 2 is to be launched in April 2019.</p>	<p>24 Chesterfield businesses have received total funding of £98k from D2N2 LEP's Skills Local Programme to support workforce up-skilling.</p> <p>D2N2 LEP's Employ Local Programme has provided skills training to 168 young unemployed people (at a total cost of £101k).</p>

	<p>Two SCR LEP programmes (Ambition SCR [£215k] and Talent Match [£283k]) have supported approximately 350 young people not in training, education or employment to enter the labour market.</p> <p>Chesterfield College has received £243k from the SCR LEP Skills Capital Programme to support upgrades of engineering training equipment.</p> <p>An un-ringfenced allocation of £8.33m from the Skills Capital Programme has also been made for the DRIIVE Innovation Centre (subject to the submission of an approved business case).</p>	<p>Ten Chesterfield schools have received a share of £100k (£10k per school) from D2N2 LEP's Careers Local Programme to support the provision of careers advice.</p>
Inward Investment Promotion	<p>Chesterfield has benefitted from SCR's inward investment marketing activities.</p>	<p>D2N2 LEP has allocated ESIF match funding of £374k (2016-22) via the 'Invest in D2N2' project to support Destination Chesterfield's (and the Council's) inward investment activities.</p>



Email: tricia.gilby@chesterfield.gov.uk

Elizabeth Fagan
 Chair of D2N2 Local Enterprise Partnership
 8 Experian Way
 NG2 Business Park
 Nottingham
 NG2 1EP

Please ask for: Cllr Tricia Gilby
 Telephone: 01246 345237

Our ref: PAG/EH

7th September 2018

Dear Elizabeth

The Future of D2N2 Local Enterprise Partnership

Thank you for your letter of 4 September 2018.

Congratulations on your appointment as the new Chair of the D2N2 Local Enterprise Partnership (LEP). I look forward to meeting you in October. If diaries permit, I would welcome the opportunity to show you around Chesterfield's regeneration schemes and to introduce you to some of the town's business leaders.

I'm sure Sajeeda will have already briefed you on our £1bn regeneration programme and referenced the Chesterfield Waterside, Peak Resort, Northern Gateway and Markham Vale schemes. It would also be good for me, in my role as Chair of the HS2 Chesterfield and Staveley Delivery Board, to show you, at first hand, our emerging master planning work with regards Chesterfield Railway Station and the HS2 Infrastructure Maintenance Depot at Staveley. You'll also be aware that Chesterfield is in the final running to land a major inward investor; Talgo. The Spanish rail company will make their location decision for their new UK manufacturing facility at the end of October. Should this investment be realised, Talgo will create 1,000 high quality manufacturing jobs within Chesterfield and North Derbyshire and a further 6,000 supply chain jobs.

Chesterfield Borough Council is therefore an important partner for D2N2 LEP.

I'm happy to confirm that we remain committed to being part of the D2N2 LEP area but our agreed position is for Chesterfield borough to also remain part of the Sheffield City Region LEP area, i.e. for the 'overlap' to be retained.

We see no reason for HM Government to end 'overlap areas' between LEPS. Chesterfield Borough Council works the 'overlap' very well and to the full advantage of the borough's residents and businesses.

You set out in your letter and in the accompanying papers various facts and figures about the D2N2 economy and Chesterfield's place within it. I'm not going to challenge that intelligence; I thank you for it. However, I have available to me an equally compelling, if not more so, set of facts and figures that make the case for Chesterfield also being part of the SCR functional economic geography. And to further illustrate the point I make about how well the Council works the 'overlap', I can evidence for you not just potential investment of Local Growth Funding (LGF) (for which I'm very grateful to D2N2 LEP)

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

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

www.chesterfield.gov.uk

but actual investment of £14.5m of SCR LEP LGF in the afore-mentioned regeneration schemes. We have also accessed through SCR LEP £14m of capital grant for Markham Vale on the basis of parts of the site falling within the SCR enterprise zone.

I would particularly welcome the opportunity to discuss with you how D2N2 LEP can better engage with and involve Chesterfield Borough Council. But as I said to Matthew and Sajeeda when they met with Huw Bowen, the council's Chief Executive and I on 22 August 2018, a periodic meeting of council leaders and yourself doesn't do it. We have a lot of expertise in economic development, skills and apprenticeships, housing and planning, place marketing etc. that D2N2 should be taking maximum advantage of. And whilst I wouldn't expect to sit on the D2N2 LEP Board, I would want to see myself and senior officers invited to be part of policy making and decision taking LEP sub-Board and officer meetings.

My concern about this governance matter is also heightened by a similar lack of commitment from the upper tier authorities to engage and involve district / borough councils in the emerging Strategic Alliance proposals.

Whilst I note the statement that you make with regards recognising existing SCR LEP funding commitments to Chesterfield Borough and pledging to develop an ongoing collaboration agreement with SCR LEP, your officers were also unable to give Huw and I any real comfort with regards a critical funding commitment. SCR LEP has confirmed to Chesterfield Borough Council its commitment to make a substantial multi-million pound investment towards delivery of Talgo's new UK manufacturing facility; subject of course to Talgo making the right location decision.

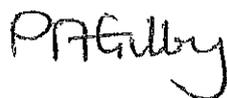
There are also good examples that I can cite of where SCR and D2N2 LEPs have both committed funding to our 'overlap' area, e.g. LGF investment in Markham Vale North, and revenue for HS2 master planning and business support.

It is for these and other reasons that my political colleagues and I have come to the considered view that our best option, at this point in time, is for Chesterfield Borough Council to remain part of both D2N2 and SCR LEPs and to continue to work the 'overlap' to the full advantage of the borough's residents and businesses.

I would therefore respectfully ask that you have regard to this agreed position when developing the D2N2 LEP's response to HM Government's LEP review.

I am now on annual leave until 24 September 2018 but Huw is available should you or Sajeeda wish to speak with him during this period.

Yours sincerely



Councillor Tricia Gilby
Leader of Chesterfield Borough Council

cc Huw Bowen



**Ministry of Housing,
Communities &
Local Government**

Elizabeth Fagan
Chair, D2N2 LEP

Lord Christopher Haskins
Chair, Humber LEP

David Kerfoot OBE DL
Chair, York, North Yorkshire & East Riding LEP

Sir Nigel Knowles
Chair, Sheffield City Region LEP

Ursula Lidbetter MBE
Chair, Greater Lincolnshire LEP

Roger Marsh OBE
Chair, Leeds City Region Enterprise Partnership

(sent by email)

The Rt Hon James Brokenshire MP
*Secretary of State for Housing, Communities and
Local Government*

***Ministry of Housing, Communities and Local
Government***

4th Floor, Fry Building
2 Marsham Street
London SW1P 4DF

Tel: 0303 444 3450

Email:
james.brokenshire@communities.gsi.gov.uk

www.gov.uk/mhclg

14 November 2018

Thank you for meeting me on 6 November with a number of your colleagues from the East Midlands and Yorkshire and Humber regions to discuss your LEP geography proposal, and for all your hard work on submitting your implementation plans on 31st October.

As I said in the meeting, the Government has a clear view that there should be no overlaps between LEP areas. This was the policy set out in *Strengthened Local Enterprise Partnerships* in July, and removing overlaps from LEP geography remains a key priority. I believe it is the right thing to do as we look to LEPs to lead on local industrial strategies, and to take decisions on how to invest the new UK Shared Prosperity Fund (SPF). As I said in our meeting, this view is strongly shared by my colleagues across Government.

In saying this, of course, we do not take the view that LEPs are separate economic areas insulated from their neighbours. Collaboration between LEPs is important now, not only in cases where there are overlap areas; and it will be every bit as important in the future. In agreeing on the best ways to eliminate overlap areas, we would encourage you to look to neighbouring LEPs to agree how best to enshrine that collaboration in the future. In assessing LEPs in future annual performance reviews, we will be taking account of how effectively and openly you work with neighbouring LEPs.

I would also like to clarify that co-terminosity with Mayoral Combined Authority (MCA) areas is important, recognising that non-constituent membership of the MCA by Councils and LEPs creates the basis for wider spatial collaboration.

Failure to resolve the overlaps will lead to increasing levels of relative disadvantage for LEPs. In the short run, we have said we are prepared to make additional capacity funding available in 2018-19 to each LEP to fund a timely and effective implementation of the LEP review, and the development of an evidence base for Local Industrial Strategies. We will move to release this funding only where LEPs have both proposed and are now implementing changes to their geographies that meet the conditions set out and where we are content with your implementation plans.

More seriously, if in time there were cases where overlaps have not been resolved, then your areas may not benefit from UK Shared Prosperity Fund.

I am therefore keen that the remaining overlap areas are now resolved. I would therefore ask you, building on the positive contributions made at the meeting on 6 November, to work further on the best approach your overlaps, and return to me with proposals by 16 November. My officials are on hand to offer advice or to take part in any discussions.

Yours sincerely,


RT HON JAMES BROKESHIRE MP



Department for
Business, Energy
& Industrial Strategy

APPENDIX 4

Andrew Battarbee
Area Director
Yorkshire, Humber & North East
Cities & Local Growth Unit

Andrew.battarbee@beis.gov.uk

Nigel Brewster
Vice-Chair
Sheffield City Region Local Enterprise Partnership

Rowena Limb
Area Director,
East Midlands and South East Midlands
Cities & Local Growth Unit

Elizabeth Fagan
Chair
D2N2 Local Enterprise Partnership

Rowena.limb@beis.gov.uk

cc. Dave Smith, MD, Sheffield City Region
Sajeeda Rose, Interim CEO, D2N2 LEP
Sir Nigel Knowles, Chair, Sheffield City Region

4 December 2018

Dear Nigel and Elizabeth,

LEP Review: Geography

At the telephone meeting between the D2N2 and Sheffield City Region LEPs on Friday, 30 November, there was agreement that it would be helpful if the Government could set out its position in writing in respect of the “overlap areas” so that you could share this with all of your Board members as you seek to reach an agreement.

We attach the letter sent by the Secretary of State to both LEP Chairs on 16 November and confirm that this still sets out the Government’s view.

We would like to emphasise the point made by the Secretary of State that, whilst we want to see simple LEP arrangements, the Government recognises there are shared economic characteristics and such areas will need to work collaboratively, whatever boundary decisions are reached. The submissions both your LEPs produced showed that the current overlap areas do indeed extend across different functional economic areas. The point being emphasised by Ministers is that in future we want these areas to be in one LEP but with strong collaboration between neighbouring LEPs to reflect areas of shared economic geography, as we already have in some shared sectoral specialisms across the country (e.g. the space/satellite sector).

Ministers are not prepared to accept continuation of dual memberships. Equally, in future we will be intolerant of LEPs which do not collaborate with neighbours where there are overlapping and shared interests, and we will hold LEPs to account if they failed to collaborate effectively.

During the call you raised a question about the Government's commitment to the Sheffield City Region devolution deal. I can reaffirm we remain committed to the devolution deal for the Sheffield City Region agreed in 2015. The MCA that was to be created by this deal has now been enshrined in law and we look forward to the final consents being obtained so that the £900m of new money and other benefits for the region can begin to flow. Furthermore, there is no need from Government's perspective to amend the MCA membership, with the non-constituent members seen by Ministers as one of the mechanisms to support effective collaboration.

We would be grateful if you could share this note and the Secretary of State's letter with all Board members. We understand D2N2 have already shared the letter with their board and all the nineteen local authorities in their membership. We hope that you can now move to early agreement on which LEP will be the host for the current overlap areas, so that you can develop mutually satisfactory arrangements for joint working and also to starting work on your local industrial strategies with clarity about your boundaries.

A response to this letter ahead of the 21 December will be welcome.

Yours sincerely

Andrew Battarbee
Area Director
Yorkshire, Humber & North East
Cities & Local Growth Unit

Rowena Limb
Area Director,
East Midlands and South East Midlands
Cities & Local Growth Unit

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Ministry of Housing,
Communities &
Local Government

Elizabeth Fagan &
James Muir
LEP Chairs
D2N2 LEP
Sheffield City Region LEP

Jake Berry MP
*Minister for the Northern Powerhouse and
Local Growth*
Ministry of Housing, Communities & Local
Government
Fry Building
2 Marsham Street
London
SW1P 4DF

Tel: 0303 444 3440

Email: jake.berry@communities.gov.uk

2 April 2019

Dear Elizabeth and James,

I am writing to you to follow up on your progress to remove the remaining overlaps. I am keen to bring this to a conclusion and my office will be in touch to arrange a meeting in May for you to take me through your progress, and in particular for you to confirm the detail of the collaboration agreements which you are putting in place. The Government remains clear that overlaps reduce accountability, simplicity and clarity across the whole network of LEPs and that these should be removed. Ahead of our meeting, you should work with my officials from the Cities and Local Growth Unit to develop these collaboration agreements. You should work together to ensure jointly-agreed proposed overlap resolutions and collaboration agreements are submitted to Stephen Jones, the Director of the Cities & Local Growth Unit (leppolicy@communities.gov.uk), by the end of April.

That said, you are in a strong position and I wanted to recognise the strong partnership working within your respective Local Enterprise Partnerships over recent years and what each LEP has achieved for your local economies. As you are both starting out on your journey of being Chair, you should be assured that this Government is determined to build on your LEPs' accomplishments to date to develop long-term strategies through Local Industrial Strategies as we design the UK Shared Prosperity Fund.

I know that eliminating overlaps is challenging. Both LEPs have said that they would wish to see the views of the local authorities which cover overlap areas before coming to final conclusions. I was pleased to hear that in recent weeks four of the five overlapping areas (Bassetlaw, Bolsover, Derbyshire Dales and North East Derbyshire) have, in principle, decided they should be part of the D2N2 LEP. However, I understand that Chesterfield has still yet to determine its preference.

I am delighted that there now seems to be movement towards agreeing the best way to remove overlaps for the area. In light of this and the fact that county councils hold responsibility for infrastructure, economic development and transport, in my view the cleanest solution is for all the five districts in Derbyshire and Nottinghamshire to be in the same LEP as the county councils. I also believe that as we make progress towards completing the implementation of the devolution deal for the Sheffield City Region, it makes sense to have common boundaries for the mayoral combined authority (MCA) and the LEP, with the districts remaining as non-constituent members of the MCA.

As we have consistently made clear, we accept that these are not hard boundaries, especially for business and economic activity. The original submissions from both of your LEPs showed that the overlap areas are genuinely part of both the D2N2 and Sheffield City Region functional economic areas. So while we are committed to the removal of overlaps, we are equally determined that there should be collaboration between LEPs across boundaries. We will hold LEPs accountable for how well they work with neighbouring LEPs to develop strategies for places which are in two or more functional economic areas.

Thank you once again for all the work that you are doing locally to drive progress in our economy. I look forward to meeting with you in the coming weeks.

Yours sincerely,

A handwritten signature in black ink that reads "Jake". The signature is written in a cursive style with a large, sweeping initial "J" and a horizontal line extending from the end of the name.

JAKE BERRY MP

CC: Cllr Gilby (Chesterfield), Cllr Lewis (Derbyshire County)



**Ministry of Housing,
Communities &
Local Government**

Dan Jarvis
Sheffield City Region Mayor

Cllr Sir Stephen Houghton CBE
Leader, Barnsley Council

Mayor Ros Jones CBE
Leader, Doncaster Council

Cllr Chris Read
Leader, Rotherham Council

Cllr Julie Doré
Leader, Sheffield City Council

Sheffield City Region Combined Authority,
11 Broad Street West
Sheffield
S1 2BQ

Rt Hon James Brokenshire MP
*Secretary of State for Housing, Communities
and Local Government*

**Ministry of Housing, Communities and
Local Government**

4th Floor, Fry Building
2 Marsham Street
London SW1P 4DF

Tel: 0303 444 3450

Email:
james.brokenshire@communities.gsi.gov.uk

www.gov.uk/mhclg

7 May 2019

Unlocking the Sheffield City Region Devolution Deal

Thank you for the letter of 25 March which you jointly sent to me about how we might together move forward to unlock the Sheffield City Region (SCR) devolution deal.

I welcome your commitment to the SCR deal, and that you all have come together and put forward what you believe to be a pragmatic solution for now implementing the deal and bringing investment to the area. That has always been a priority for us in Government. We are ready to consider a localist approach to devolution elsewhere across Yorkshire, if that is wanted locally, and I recognise the strength of Yorkshire identity.

I also recognise that your proposal for councils in the SCR being free after 2022 to join an alternative devolution group is broadly in step with the approach envisaged by my predecessor in 2017. This was that in future, subject to certain provisos, councils would be free to leave the City Region and join an alternative wider Yorkshire devolution deal.

In principle, if you and all your councils now consent, we are prepared to implement the deal with an understanding that after 2022 those councils that do not see their future in the City Region should be free to join an alternative wider Yorkshire devolution group, leaving the SCR with a commensurately reduced devolution deal, and with such provisos as for example there remains an effective integrated transport system.

All of this is subject to the statutory tests and processes being met, to Parliamentary approval of any necessary secondary legislation, and to our being able to work through and agree with you details for putting such arrangements in place. My officials are already working with your officers on these details, and I would suggest the early meeting which you have in mind with Treasury Ministers would be helpful; I will ask Jake Berry the Northern Powerhouse Minister to join any such meeting.

Yours sincerely,

RT HON JAMES BROKESHIRE MP

DRAFT SCR and D2N2 Local Enterprise Partnership's Collaboration Framework

Section 1 Principles and Objectives

Principles underpinning the collaboration framework

1. Collaborate on shared endeavours
2. LEP Board / MCA/Accountable Body has primacy over local decision making
3. Appropriate and transparent oversight to monitor the agreed objectives is established with the areas affected
4. The Mayor / MCA and conversely the Districts and Counties may collaborate on matters of policy which are not in scope of the LEP and therefore outside this agreement

Proposed Objectives

1. Smooth transition for Districts currently part of an overlap to solely operating within a D2N2 / SCR framework ensuring no detriment to businesses or residents effected during the transitional period
2. No detriment to any of the current LEP areas following the transition
3. Continue to develop shared approaches where there is a clear rationale to do so and where the impact of doing the activity will exceed the economic benefits of separate endeavours

Section 2 - Transitional Phase 2019-2021

1. Strategic Collaboration

Transport

Where there are potential benefits or disbenefits of schemes / proposals that are material across both LEP areas.

Maximising the Impact of HS2

Maximising the economic impact of the investment could include strategies relating to skills, supply chain or land and housing

2. Operational Transition

LGF schemes

See annex for schemes in transition or with on-going reporting obligations. Each LEP will continue to support schemes in contract until the conclusion of the LGF programme and its monitoring of outcomes. For the districts moving to D2N2 information will be shared with D2N2 on progression of the overlap schemes.

Growth Hub

SCR propose to conclude as many as possible detailed support for companies in the overlap during 19/20. Where this is not possible, and SCR Growth Hub is part way through a business assist activity this will be supported until concluded and thereafter as outcomes are reported. A full list of these transitional businesses will be compiled and shared (annex of businesses to be developed closer to year end).

In 20/21 all new business enquiries for Growth Hub support in the former overlapping geography will be signposted to the relevant Growth Hub.

ESIF

Both LEPs already work closely together at an operational level in terms of the delivery of ESIF across the overlap. Where funding is yet to be commissioned which will include delivery in the overlap areas, both LEPs will commit towards working together to inform future calls and jointly promote across the overlap area.

SCR Skills Bank

New deals will be entered into during 2019/20, post transition companies in the former overlapping geography will be signposted to D2N2 skills and training provision, however deals in progress will be delivered to conclusion.

3. Resourcing

Markham Vale Enterprise Zone: Clarification on the legal and policy position in terms of the payment of future rates is being obtained from Government in the event that Chesterfield Borough Council remains solely within D2N2 LEP. Based on the outcome of the advice future arrangements for Enterprise Zone business rates will be agreed as part of the transition agreement. *(At the time of writing no position has been agreed by Chesterfield Borough Council on its future LEP membership arrangements)*

Growth Hub resource for the overlap area - during transition SCR will withdraw from funding business support in the former overlapping areas moving solely to D2N2, including any shared posts and D2N2 will assume full arrangements for the Districts within its remit.

Modelling and appraisal tools - The new SCR transport model (SCRTM1) and the new land use model (FLUTE 18) have both been designed to include all current SCR MCA local authority areas (with respect to the detailed modelled area). The effects of transport investment therefore can be modelled in the overlap at a granular level. All the LA districts and partners within the overlap districts will be able to use this model, irrespective of the redrawn boundaries. Should any issues thrown up by SCR transport modelling, which affect the non-constituent members, will be communicated in a timely and agreed manner.

4. Communication and Information Sharing

Areas to include:

Evidence base supporting the SCR Economic Plan and Local Industrial Strategies
to understand any emerging synergies from the evidence base

Other investment plans and priorities as appropriate to the scope of this collaboration framework eg cross boundary major investment / supply chains.

ESIF, both LEPs will look to share information wherever possible on contracts and providers delivering within the overlap area to ensure strategic alignment and co-ordination across both ESIF programmes.

Section 3 - Post -Transitional Phase 2021 onwards

1. Strategic Collaboration

TBC but likely to be:

- Transport,
- HS2 Growth Plan, including the implications for housing etc)
- Spatial planning
- Flood alleviation
- Energy Strategy?

2. Joint Ventures

TBC

3. Communication and information sharing

Legacy programme information – outcomes / outputs

Section 4 - Collaboration Approach

This section still needs developing – but will explore whether this is through joint Chair meetings, joint CEX meetings or through written communications and reporting

Annex A - Operational programmes Transitional arrangements

Local Growth Fund

Below is a list of live and pipeline projects within each respective programme where there is either an ongoing financial or output commitment:

D2N2 LGF Programme

Project Name	Project Applicant	Location	D2N2 LGF Contribution	LGF Contribution to Claim	Outputs	Status of the project
Chesterfield Centre for Higher Level Skills	University of Derby	Chesterfield	£3.48m	£0	45 Jobs 1483 Learners	Construction Complete Monitoring of outputs
Harworth Access Road	Nottinghamshire County Council	Harworth, Bassetlaw	£1.1m	£0	6650 Jobs 885 Homes	Construction Complete Monitoring of outputs
Seymour Link Road	Derbyshire County Council	Markham Vale, North East Derbyshire	£2.52m	£0	1235 Jobs	Construction Complete Monitoring of outputs
A57/A60 Worksop	Nottinghamshire County Council	Worksop, Bassetlaw	£1.83m	£0	1753 Jobs 6000 Homes	Construction Complete Monitoring of outputs
Vesuvius Works	Dooba Developments Limited	Worksop, Bassetlaw	£4.49m	£0	400 Jobs	Construction Complete Monitoring of outputs
Ashbourne Airfield	Derbyshire County Council	Ashbourne, Derbyshire Dales	£1m	£1m	483 Jobs 367 Homes	Awaiting Final Business Case
Riverside Business Park	Litton Properties Group	Bakewell, Derbyshire Dales	£3.35m	£3.35m	320 Jobs	Awaiting Final Business Case
HS2 Strategic Sites	Chesterfield Borough Council	Chesterfield	£2.4m	£2.4m	300 Jobs	Awaiting Final Business Case

SCR LGF Programme (information currently incomplete)

Project	Applicant	Location	LGF Contribution	LGF Remaining to Claim	Outputs	Status
Worksop Phase 2	BDC	Bassetlaw	£1,225,734	£0	1,359 Jobs 93,000m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Worksop Phase 2 b	BDC	Bassetlaw	£1,150,560	£0	915 Jobs	Delivery
Bassetlaw Employment Sites – Retford	BDC	Bassetlaw	£725,000	£0	48 Jobs 686m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Harry Needle Rail	Private Co.	Bassetlaw	£500,000	£500,000	40 Jobs	Approval Granted
Worksop site delivery and Vesuvius scheme	BDC	Bassetlaw	£500,000	£0	420 Jobs 40,703m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Harworth and Bircotes Step Change Programme Road Improvement	BDC	Bassetlaw	£450,000	£0	2,281 Jobs 888 Housing Units 73,700m2 Commercial Floorspace	Construction Complete Monitoring of outputs
North Notts College Facelift	North Notts College	Bassetlaw	£308,055	£0	1,072 Learners 1,635m2 Refurbished Training Space	Construction Complete Monitoring of outputs
Harrison Drive, Langold	BDC	Bassetlaw	£135,000	£0	8 Jobs	Construction Complete

						Monitoring of outputs
National Fluid Power Centre Integrated Systems	RNN Group	Bassetlaw	£132,500	£0	900 Learners	Construction Complete Monitoring of outputs
Northern Gateway	CBC	Chesterfield	£5,830,000	£0	510 Jobs 2,600m2 Commercial Floorspace 4,500m2 Indirect Commercial Floorspace	Delivery
Seymour Link Road	CBC	Chesterfield	£3,780,000	£0	350 Jobs 3km New Road	Construction Complete Monitoring of outputs
Peak Resort	CBC	Chesterfield	£2,849,993	£0	406 Jobs 35,000m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Chesterfield Waterside	CBC	Chesterfield	£2,552,532	£0	330 Jobs 5 Acres Developed 7,400m2 Commercial Floorspace 21,700m2 Residential Development 310 Housing Units	Delivery
Chesterfield College Infirmary Road Project	Chesterfield College	Chesterfield	£243,000	£0	8,241 Learners	Construction Complete

						Monitoring of outputs
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£249,000	£249,000	20 Jobs	Not yet approved
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£120,000	£0	10 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£110,000	£0	11 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£100,000	£0	25 Jobs	Contract Issued
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£51,372	£0	8 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£34,000	£0	12 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£25,000	£0	11 Jobs	Contract Issued

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COUNCIL MEETING - 17 JULY 2019 **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	22 May 29 May 5 June 12 June 19 June 3 July
Planning Committee	20 May 10 June 1 July
Standards and Audit Committee	24 April

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

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CABINET

Tuesday, 21st May, 2019

Present:-

Councillor P Gilby (Chair)

Councillors Blank
T Gilby
Holmes
Ludlow

Councillors J Innes
Mannion-Brunt
Sarvent
Serjeant

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

2 **APOLOGIES FOR ABSENCE**

No apologies for absence were received.

3 **MINUTES**

RESOLVED –

That the minutes of the meeting of Cabinet held on 9 April, 2019 be approved as a correct record and signed by the Chair.

4 **FORWARD PLAN**

The Forward Plan for the four month period 1 June to 30 September, 2019 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

5 **DELEGATION REPORT**

Decisions taken by Cabinet Members during March and April, 2019 were reported.

***RESOLVED –**

That the Delegation Report be noted.

6 GENERAL FUND BUDGET OUTTURN REPORT 2018/19

The Director of Finance and Resources submitted a report on the General Fund Revenue and Capital Outturns for 2018/19. The report provided details of variations from the revised estimates previously approved by Cabinet on 26 February, 2019 (Minute No. 104, Cabinet 2018/19) and also sought approval for carry forward requests.

***RESOLVED –**

1. That the General Fund Revenue and Capital Outturn reports for 2018/19 be noted.
2. That the General Fund carry forward requests, as set out in paragraph 4.6 of the officer's report, be approved.
3. That the level of General Fund Reserves and Balances, as set out in section 6 and Appendix C of the officer's report, be approved.
4. That the General Fund surplus for the financial year 2018/19, as set out in paragraph 6.7 of the officer's report, be transferred to the budget risk reserve.
5. That the capital financing arrangements, as set out in Appendix D of the officer's report, be approved.

REASON FOR DECISION

In the interest of sound financial management.

7 HOUSING REVENUE ACCOUNT (HRA) - FINAL ACCOUNTS 2018/19

The Director of Finance and Resources submitted a report on the Housing Revenue Account Final Accounts for 2018/19.

The report provided explanations for variations from the revised estimates previously approved by Cabinet on 26 February, 2019 (Minute No. 107, Cabinet 2018/19), and also sought approval for carry forward requests.

***RESOLVED –**

1. That the report be noted.
2. That the revenue carry forward requests for £136,720 in respect of projects which were not finalised during 2018/19, as detailed in annexe 4 of the officer's report, be approved.

REASONS FOR DECISIONS

1. To enable the Housing Revenue Account outturn to be included in the Council's overall Statement of Accounts.
2. To consider the carry forward requests which will allow for the completion of the revenue projects which were not finalised during the financial year.

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CABINET**Tuesday, 4th June, 2019**

Present:-

Councillor Serjeant (Chair)

Councillors Blank
T Gilby
LudlowCouncillors Holmes
J Innes
Sarvent

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

9 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors P Gilby and Mannion-Brunt.

10 MINUTES**RESOLVED –**

That the minutes of the meeting of Cabinet held on 21 May, 2019 be approved as a correct record and signed by the Chair.

11 FORWARD PLAN

The Forward Plan for the four month period July to October, 2019 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

12 PROGRESS ON THE COUNCIL PLAN - YEAR 4 - 201819

The Assistant Director – Policy and Communications submitted a report informing Members of the progress made in delivering the Council Plan 2015-19.

The plan defined the Council’s key priorities and aims over the four year period, providing focus and setting out activities that required a collective corporate effort. The plan had been reviewed and updated on an annual basis to take into account the latest community, demographic and performance data.

A report detailing the progress against each activity was attached at Appendix A of the officer’s report.

***RESOLVED –**

That the progress in delivering the Council Plan 2015-19 be noted.

REASON FOR DECISION

To raise awareness of key outcomes and outputs against the Council Plan commitments and to challenge performance.

CABINET**Tuesday, 25th June, 2019**

Present:-

Councillor P Gilby (Chair)

Councillors Blank
T Gilby
LudlowCouncillors Holmes
J Innes
Mannion-Brunt

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

14 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Sarvent and Serjeant.

15 MINUTES**RESOLVED –**

That the minutes of the meeting of Cabinet held on 4 June, 2019 be approved as a correct record and signed by the Chair.

16 FORWARD PLAN

The Forward Plan for the four month period July to October, 2019 was reported for information.

***RESOLVED –**

That the Forward Plan be noted.

17 DELEGATION REPORT

Decisions taken by Cabinet Members during May and June, 2019 were reported.

***RESOLVED –**

That the Delegation Report be noted.

18 MINUTES OF THE SHEFFIELD CITY REGION MAYORAL COMBINED AUTHORITY

Minutes of the meeting of the Sheffield City Region Mayoral Combined Authority held on 25 March, 2019 were reported for information.

***RESOLVED –**

That the Minutes be noted.

19 HS2 STATION MASTER PLAN

The Assistant Director – Economic Growth submitted a report that informed members of the proposed public consultation process with regards the Council's 'Chesterfield Station HS2 Masterplan' and its relationship with the Council's Local Plan. The Chief Executive delivered a presentation detailing the seven objectives that had been taken into account during the design of the masterplan. Members were also provided with an overview of the regeneration work that would take place in the Staveley and Barrow Hill areas alongside the planned HS2 line maintenance depot.

***RESOLVED –**

That the update on preparations for the Council's 'Chesterfield Station HS2 Masterplan' consultation programme be noted.

REASON FOR DECISION

To ensure there is a full and thorough understanding of the 'Chesterfield Station HS2 Masterplan' consultation process and that Members are able to input into preparations to help inform the production of the consultation materials.

JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE**Tuesday, 4th June, 2019**

Present:-

Councillor Serjeant (Vice-Chair)

Councillors	Blank	Councillors	J Innes
	Davenport		Ludlow
	K Falconer		T Murphy
	T Gilby		Sarvent
	Holmes		Simmons

*Matters dealt with under the Delegation Scheme

**1 DECLARATION 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 Brittain, P Gilby and Mannion-Brunt.

3 MINUTES**RESOLVED –**

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 19 March, 2019 be approved as a correct record and signed by the Chair.

4 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.

5 OPERATIONAL SERVICES (OSD) - GROWTH AND BUSINESS PLAN

The Assistant Director – Commercial Services submitted a report seeking approval for the Operational Services Department (OSD) Business Plan for 2019/20 to 2023/24.

The five year growth plan had been agreed in July 2017 and aimed to increase the share of the HRA capital improvement works completed by the internal service.

The growth by the service had achieved key local policy objectives, delivered value for money services and returned the trading surplus of OSD to the council's general fund.

The need to revise the staffing establishment had been identified as a result of the re-profiled work which had been allocated, as summarised in appendix 1 of the officer's report. The Human Resources implications of the revised staffing establishment were included in the report.

The report provided details of the risks associated with the growth plan and mitigating actions. An equalities impact assessment had been carried out and a summary of the outcomes was included in the report.

***RESOLVED –**

1. That the additional permanent posts, as detailed in paragraph 4.3 of the officer's report, be approved.
2. That the Assistant Director – Commercial Services be granted delegated authority to recruit to the new posts.
3. That the Operational Services Department Business Plan forecast for 2019/20 to 2023/24 be approved.
4. That it be agreed that the Operational Services Department had demonstrated best value during 2018/19.

REASONS FOR RECOMMENDATIONS –

1. To reduce the usage of external contractors, retain operating profit within the General Fund and provide additional capacity to carry out commercial building works.
2. To support the Council's Workforce Strategy.
3. To enable the estimated financial position of the Operational Services Division to be included in the Council's Medium Term Forecast.

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