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The Chair and Members of Standards  
and Audit Committee

15 July 2020

Dear Councillor,

Please attend a meeting of the STANDARDS AND AUDIT COMMITTEE to be held on WEDNESDAY, 22 JULY 2020 at 2.00 pm, the agenda for which is set out below.

This meeting will be held virtually via Microsoft Teams software, for which members of the Committee and others in attendance will receive an invitation. Members of the public will be able to access the meeting online by following the link [here](#)

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to Items on the Agenda
2. Apologies for Absence
3. Minutes (Pages 3 - 8)
4. Internal Audit Consortium Annual Report 2019/20 (Pages 9 - 22)
5. A Review of the Code of Corporate Governance and the Annual Governance Statement (Pages 23 - 120)
6. New Draft LGA Model Code (Pages 121 - 138)

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7. Review of Emergency Delegated Decision Making Process

Report to follow

8. Local Government Act 1972 - Exclusion of Public

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

Part 2 (Non Public Information)

9. Summary of Internal Audit Reports Issued and Progress Update (Pages 139 - 184)

Yours sincerely,

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

Local Government and Regulatory Law Manager and Monitoring Officer

**STANDARDS AND AUDIT COMMITTEE****Tuesday, 5th May, 2020**

Present:-

Councillor Rayner (Chair)

Councillors Caulfield  
Brady  
KellmanCouncillors T Murphy  
Snowdon  
Brittain

\*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

**48 APOLOGIES FOR ABSENCE**

No apologies for absence were received.

**49 MINUTES**

RESOLVED –

The Minutes of the meeting of the Standards and Audit Committee held on 5 February, 2020 and 19 March, 2020 were agreed as true records and signed by the Chair.

**50 COVID-19 - REMOTE MEETINGS AND OTHER MEASURES**

The Monitoring Officer reminded the committee that emergency delegations were introduced following a meeting of the committee on 19<sup>th</sup> March 2020. The delegations permitted single officer/Member delegated decisions to take place during the COVID-19 pandemic.

The Corona Virus Act 2020 enabled the introduction of remote member level meetings and the committee was given an outline of the revised procedures. It was acknowledged that these temporary powers would

potentially remain in place until May 2021. A meeting of the Licensing Committee was due to take place the following day and other committee meetings would follow based on the priority level of the decisions required.

The Standing Orders were attached to the officers' report at Appendix A.

Other arrangements were proposed to help facilitate sealing of council deeds during lockdown and to ensure proper record keeping of emergency procurement.

The Chair thanked the Monitoring Officer and his team, Democratic Services and ICT Services for all their hard work, time and effort ensuring that the council could continue to deliver its services to the Borough.

RESOLVED –

1. That the report be noted.
2. That officers determine the most effective way to phase in remote meetings
3. That the draft Standing Orders for remote meetings be approved, with the Monitoring Officer authorised to make any reasonable amendments to ensure effective operation of remote meetings.
4. That appropriate member training (to be carried out remotely) and guidance is put in place to enable effective remote meetings.
5. That a power of attorney be entered into to facilitate an alternative means of executing deeds by the individual officers identified in the report, where appropriate.
6. That the Council's contract procedure rules be applied taking into account Procurement Policy Note – Responding to COVID-19 Information Note PPN 01/20 and other relevant government guidance. Procurement waiver applications in these circumstances to be considered by the Local Government and Regulatory Law Manager.

## 51 **CBC INTERNAL AUDIT PLAN 20.21**

The Internal Audit Consortium Manager presented a report for members to consider and agree the Internal Audit Plan for 2020/21.

The detailed plan for 2020/21 was attached at Appendix B to the report and had been prepared in consultation with the Senior Leadership Team and the Corporate Management Team, prior to the start of the COVID-19 pandemic taking into account the following factors:

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

The plan outlined the assignments to be carried out during 2020/21, their respective priorities and the estimated resources needed. The plan allocated 560 days to Chesterfield Borough Council for 2019/20, which was the same allocation as in the previous four years.

The Internal Audit Consortium Manager was satisfied that the plan would provide sufficient data to form an audit opinion but it was acknowledged that the plan will need to be adjusted due to the impact of COVID-19. The following points were highlighted;

- The grants awarded to local businesses would need to be reviewed to detect any potential fraud
- It would be necessary to review how effective the council's emergency planning had been
- High risk areas would be prioritised in the coming months and regular updates on these provided to the committee

It was noted that the audit report on Procurement would be presented at the next meeting of the committee. The Chair also requested that the updated plan be brought to each subsequent meeting of the Committee.

**\*RESOLVED –**

1. That the Internal Audit Plan for 2020/21 be agreed.

2. That it be noted that the plan will need to be adjusted and prioritised in future months due to the impact of the COVID-19 virus.

## **STANDARDS AND AUDIT COMMITTEE**

**Thursday, 2nd July, 2020**

Present:-

Councillor Rayner (Chair)

Councillors   Caulfield  
                  Brady  
                  Kellman

Councillors                   T Murphy  
                                      Snowdon

\*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

### 53    **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Paul Wilson and Councillor Anne Brittain.

### 54    **COVID-19 - BUSINESS AND PLANNING ACT 2020**

The Monitoring Officer presented to the committee a report detailing two new proposed delegations in response to the Business and Planning Bill which will be enacted in July 2020. The new delegations will enable the Council to respond promptly to any applications within the statutory timeframes using suitable processes and appropriate governance.

#### **RESOLVED –**

1.    That all aspects of the function relating to pavement licensing under Part 1 of the Business and Planning Act is delegated to the Assistant Director for Health and Wellbeing in consultation with the Chair of the Appeals and Regulatory Committee and appropriate Cabinet Member(s) as necessary.

2. That all functions relating to construction working hours inserted in the Town and County Planning Act 1990 (as amended) by Part 3 of the Business and Planning Act 2020 be delegated to the Development Management and Conservation Manager (or in their absence, by the Assistant Director - Economic Growth or by the Principal Planner) in consultation with the Chair of Planning Committee and appropriate Cabinet Member(s) as necessary.



## For publication

### INTERNAL AUDIT CONSORTIUM ANNUAL REPORT 2019/2020

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Meeting:	Standards and Audit Committee
Date:	22 <sup>nd</sup> July 2020
Cabinet portfolio:	Governance
Report by:	Internal Audit Consortium Manager

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## **For publication**

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### **1.0 Purpose of report**

1.1 The purpose of this report is to:-

- Present a summary of the internal audit work undertaken during 2019/20 from which the opinion on the internal control environment is derived.
- Provide an opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion.
- Draw attention to any issues that need to be considered for inclusion in the Annual Governance Statement.
- Compare work actually undertaken with that which was planned and summarise performance.
- Comment on compliance with the Public Sector Internal Audit Standards (PSIAS).

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

## **2.0 Recommendation**

- 2.1 That the Internal Audit Consortium Annual Report for 2019/20 be accepted.

## **3.0 Report details**

### IMPACT OF COVID 19

- 3.1 The advent of COVID 19 has had an impact on the timeliness of the completion of the 2019/20 internal audit plan. Whilst the vast majority of the plan has now been completed, some of these audits were completed in the new financial year.
- 3.2 Coronavirus has impacted on the plan for several reasons:-
- Internal Audit staff working from home - getting used to a new way of working
  - Difficulties in obtaining information from staff that have been redeployed or are working from home. Still some paper records that require review.
  - Other council staff concentrating their efforts on keeping essential services running, issuing grants to businesses etc. and so not being able to accommodate an audit or provide the information in a timely fashion.

3.3 Enough of the internal audit plan has been completed to be able to give an audit opinion in respect of the 2019/20 financial year. However, the full impact on the audit plan for the 2020/21 financial year is not yet known but is likely to be significant. The Audit and Standards Committee will be provided with regular updates in respect of the completion of the 2020/21 plan.

#### SUMMARY OF WORK UNDERTAKEN

3.4 Appendix A details the audit reports issued in respect of audits included in the 2019/20 internal audit plan. The appendix shows for each report the overall assurance level provided on the reliability of the internal controls and the assurance level given at the last audit. The report opinions can be summarised as follows:

<b>Assurance Level</b>	<b>2018/19 Number</b>	<b>2019/20 Number</b>	<b>2019/20 %</b>
Substantial	11	11	38
Reasonable	14	15	52
Limited	5	2	7
Inadequate	1	1	3
<b>Total</b>	<b>35</b>	<b>29</b>	<b>100</b>

3.5 A definition of the above assurance levels is shown in Appendix A.

3.6 There were no issues relating to fraud arising from the reports detailed in Appendix A.

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

Description	2019/20		2020/21
	Plan	Actual	Plan
Cost per Audit Day	£285	£273	£294
Percentage of Plan Completed (CBC)	96%	82%**	75% *
Sickness Absence (Average Days per Employee)	8.0 (Corporate Trigger)	3.8	8.0
Customer Satisfaction Score (CBC)	85%	94%	85%
To issue internal audit reports within 10 days of the close out meeting (CBC)	90%	100%	90%
Number/proportion of audits completed within time allocation (CBC)	80%	81%	80%
Quarterly reporting to Standards and Audit Committee	100%	100%	100%

\* Although the usual target is 96%, this will not be achievable given the impact of COVID 19. During the year the plan will be frequently revisited, prioritised and progress reported to members.

\*\* As at the end of April 28/34 audits had been completed = 82%. This was partly due to an Auditor leaving mid year, training of a new auditor and also the time commitment involved in respect of an Auditor undertaking a CIPFA apprenticeship. Covid -19 also effected the productiveness of staff during March 2020. A further 4 audits have now been completed taking the percentage completed to 94%. The remaining 2 audits (Community Safety and Members pc's / ipads) will be undertaken in 2020/21. The members pc's / ipads audit was deferred from mid -March as IT needed to concentrate on ensuring that staff could work from home.

## OPINION ON THE ADEQUACY AND EFFECTIVENESS OF THE CONTROL ENVIRONMENT

3.8 The Internal Audit Consortium Manager is responsible for the delivery of an annual audit opinion that can be used by the council to inform its governance system. The annual opinion concludes on the overall adequacy and

effectiveness of the organisation's framework of governance, risk management and control.

- 3.9 In my opinion reasonable assurance can be provided on the overall adequacy and effectiveness of the council's framework for governance, risk management and control for the year ended 2019/20. However, the exception to this is in respect of procurement policies and procedures for which an inadequate assurance internal audit report was issued. In this area governance, risk management and control arrangements were not operating effectively. A number of recommendations have been made to reduce the risk to the organisation and improve the arrangements in place.
- 3.10 Assurance can never be absolute. In this context "reasonable assurance" means that arrangements are in place to manage key risks and to meet good governance principles, but there are some areas where improvements are required.
- 3.11 Overall, 90% of the areas audited received Substantial or Reasonable Assurance demonstrating that there are effective systems of governance, risk management and control in place.
- 3.12 In addition to the inadequate procurement report detailed above, there were 2 Limited Assurance reports issued during the year (car park income and register of gifts and hospitality and personal interests). In respect of car park income management have implemented all of the recommendations made. The recommendations made in respect of gifts and hospitality are in the process of being implemented.
- 3.13 Performance management procedures are in place to

ensure that CMT receive regular reports in relation to outstanding audit recommendations in order that appropriate action can be taken.

3.14 The Standards and Audit Committee also receive a 6 monthly report in relation to outstanding audit recommendations. Where a limited or inadequate assurance audit report is issued, managers are also required to attend the Standards and Audit Committee to discuss progress and to provide assurance that recommendations are being implemented in a timely fashion.

3.15 Members should also be aware of the high risk areas that are highlighted within the Council's Corporate Risk Register some of which have been reviewed by Internal Audit in 2019/20:-

- Having a sustainable financial plan;
- Managing change effectively to deliver the required transformational changes and savings
- Workforce – ensuring the council has the right skills and capacity
- Investment and development of the ICT infrastructure
- Information Governance
- Information security – data security
- Protecting the public and staff – Health & Safety
- Procurement contract management
- Key partnerships
- Provision of social housing
- Emergency planning and business continuity arrangements
- BREXIT
- Safeguarding children and vulnerable adults
- Non- Housing Property Repairs

## ISSUES FOR INCLUSION IN THE ANNUAL GOVERNANCE STATEMENT

- 3.16 The internal control issues arising from audits completed in the year have been considered during the preparation of the Annual Governance Statement. Procurement policies and procedures has been raised as a significant governance issue within the annual governance statement. Other previously identified weaknesses in relation to non housing property repairs and workforce capacity and capability have also remained on the Annual Governance Statement this year as further work is needed to make improvement in these areas.
- 3.17 Other previous significant issues such as ICT and health and safety have been discussed with the Corporate Management Team and the Standards and Audit Committee. Whilst not fully resolved, substantial progress has been made in respect of these areas. These items are therefore not included within the Annual Governance Statement but are within the Annual Governance Statement action plan.

## COMPARISON OF PLANNED WORK TO ACTUAL WORK UNDERTAKEN

- 3.18 The Internal Audit Plan for 2019/20 was approved by the Standards and Audit Committee on the 24th April 2019. 32/34 audits have now been completed. In respect of the remaining 2 audits, the community safety audit has been incorporated in to the 20/21 internal audit plan and the audit of members pc's and IPads will be scheduled during 2020/21.

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

- 3.19 During 2019/20 a self- assessment was undertaken to review compliance with the Public Sector Internal Audit Standards. The review confirmed that there were no significant areas of non- compliance.
- 3.20 In October 2016 the internal audit consortium was subject to an external review to ensure compliance with the Public Sector Internal Audit Standards. The review concluded that the Consortium was compliant with and in places exceeded the requirements of the PSIAS but a number of recommendations were made to further enhance the service provided by the Consortium. This action plan has now been completed. An improvement spreadsheet has been introduced to identify further areas for improvement. This spreadsheet is discussed at every team meeting and actions agreed accordingly.
- 3.21 A further external review will need to be undertaken in the summer of 2021.
- 3.22 It can also be confirmed that the internal audit activity is organisationally independent. Internal audit reports directly to an Executive Director but has a direct and unrestricted access to the Corporate Leadership Team and the Standards and Audit Committee.
- 3.23 Quality control procedures have been established within the internal audit consortium as follows:
- Individual Audit Reviews – Working papers and reports are all subject to independent review to ensure that the audit tests undertaken are appropriate, evidenced



and the correct conclusions drawn. All reports are reviewed to ensure that they are consistent with working papers and in layout. Whilst these reviews may identify issues for clarification, the overall conclusion of the quality assurance checks is that work is being completed and documented thoroughly.

- Customer Satisfaction – A Customer Satisfaction Survey form is issued with each report. This form seeks the views of the recipient on how the audit was conducted, the report and recommendations made.
- Client Officer Views – A survey form has been issued to the client officer seeking their views on the overall performance of the Internal Audit Consortium for the year in achieving the objectives set out in the Internal Audit Charter.
- All staff have been provided with a copy of the Public Sector Internal Audit Standards and the Internal Audit Manual has been updated to reflect the requirements of the standards and issued to all staff. The audit manual was reviewed and updated in May 2020.

3.24 The above quality control procedures have ensured conformance with the PSIAS.

3.25 Based on the customer satisfaction survey forms returned, the average score was 94% for customer satisfaction during 2019/20 (2018/19 result 94%).

3.26 The results of the Client Officer survey for Chesterfield were a score of 97% (a score of 34/35 over 7 questions).

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

- 3.27 The Audit Charter was last reported to and approved by the Audit and Standards Committee in July 2018. The Charter has been reviewed in May 2020 and will be presented to the Standards and Audit Committee for approval at the earliest opportunity.
- 3.28 Based on the information provided in this report on the completion of the 2019/20 internal audit plan, it is considered that the requirements of the Charter were met during the year.
- 3.29 There are no human resources implications.
- 3.30 There are no financial implications
- 3.31 There are no legal or data protection implications.
- 3.32 Risk Management - This report ensures that Members are aware of the work undertaken by internal audit during 2019/20 and their opinion on the adequacy and effectiveness of the systems in place at Chesterfield Borough Council.
- 3.33 Equalities Impact Assessment (EIA) - Not Applicable.

## 4 **Alternative Options and Reasons for Rejection**

- 4.1 Not Applicable.

## **5.0 Recommendation**

- 5.1 That the Internal Audit Consortium Annual Report for 2019/20 be accepted.

## **6.0 Reasons for recommendation**

- 6.1 To present to Members the annual report for the Internal Audit Consortium in respect of Chesterfield Borough Council for 2019/20.
- 6.2 To ensure compliance with the Public Sector Internal Audit Standards.
- 6.3 To provide an opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion.

### **Decision information**

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

**Document information**

<b>Report author</b>	<b>Contact number/email</b>
Jenny Williams Internal Audit Consortium Manager	01246 959770 EX 6770 Jenny.williams@chesterfield.gov.uk
<b>Background documents</b>	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<b>Appendices to the report</b>	
Appendix A	Internal Audit Reports Issued 2019/20

**Form to return to Democratic Services with report  
(will be removed before publication)**

<b>Officers/members consulted on the report</b>	
<b>Communications</b>	<input type="checkbox"/>
<b>Human Resources</b>	<input type="checkbox"/>
<b>Finance</b>	<input type="checkbox"/>
<b>Legal</b>	<input type="checkbox"/>
<b>Information Assurance</b>	<input type="checkbox"/>
<b>Consultation and Engagement</b>	<input type="checkbox"/>
<b>Equality, diversity and human rights</b>	<input type="checkbox"/>
<b>Cabinet member portfolio holder (and consultee cabinet member if applicable)</b>	<input type="checkbox"/>
<b>Comments from Cabinet Member (if applicable)</b>	

## Appendix A

### Chesterfield Borough Council – Internal Audit Reports Issued 2019/20

Ref	Report Title	Overall Opinion/ Assurance	
		2019/20	Previous Audit
1	Food Hygiene	Reasonable	N/A - new
2	Risk Management	Reasonable	Satisfactory
3	Dunston & Tapton Innovation Centres	Substantial	Good
4	Crematorium	Substantial	Substantial
5	Pest Control & Stray Dog Income	Reasonable	Satisfactory
6	Venues	Reasonable	Substantial
7	Council Tax	Reasonable	Reasonable
8	Car Park Income	Limited	Reasonable
9	Outdoor Facilities Income	Reasonable	Limited
10	Data Protection & FOI Requests	Reasonable	Limited
11	National Non Domestic Rates	Substantial	Substantial
12	Museum & Revolution House Income	Reasonable	Satisfactory
13	Property Inspections follow up	Reasonable	Limited
14	Corporate Health & Safety	Reasonable	Inadequate
15	Land Charges Income	Substantial	Satisfactory
16	Housing Benefits & Council Tax Support	Substantial	Substantial
17	Cash and Bank	Substantial	Substantial
18	Accounts Receivable	Substantial	Substantial
19	Accounts Payable	Reasonable	Reasonable
20	Gifts, Hospitality & Personal Interests	Limited	Marginal
21	Treasury Management – Investments & Loans	Substantial	Substantial
22	Cemeteries Income	Reasonable	Satisfactory
23	Payroll	Reasonable	Reasonable
24	Vicar Lane & the Pavements Centre	Substantial	Satisfactory
25	Housing Rents Accounting System	Substantial	Substantial
26	Recruitment and Selection	Reasonable	
27	Housing Repairs – Capital Programme	Reasonable	Inadequate / Reasonable
28	Procurement	Inadequate	Inadequate
29	Unit 4 Business World FMS	Substantial	Substantial

## Internal Audit Assurance Level Definitions

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

## For publication

### REVIEW OF THE CODE OF CORPORATE GOVERNANCE AND THE ANNUAL GOVERNANCE STATEMENT

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Meeting: Cabinet/Standards and Audit Committee

Date: 14th July 2020/22nd July 2020

Cabinet portfolio: Cabinet Member for Governance

Report by: Internal Audit Consortium Manager

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#### **For publication**

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#### 1.0 **Purpose of report**

1.1 To Review compliance with the Code of Corporate Governance requirements during the year 2019/20 and to present the Annual Governance Statement and associated action plan.

#### 2.0 **Recommendations**

- 2.1 That the Cabinet consider the following documents and refer any comments to the Standards and Audit Committee:
- a) the Annual Review of the Local Code of Corporate Governance for 2019/20 (Appendix A);
  - b) The review of the key elements that comprise the Council's governance arrangements (Appendix B)
  - c) the Annual Governance Statement (Appendix C);
  - d) the Annual Governance Statement Action Plan (Appendix D).

- 2.2 That the Standards and Audit Committee:
- a) consider the documents listed in 2.1 above, together with any comments from Cabinet;
  - b) subject to any amendments that they consider appropriate, approve the Annual Governance Statement and Action Plan; &
  - c) recommend that the Annual Governance Statement be signed by the Leader and Chief Executive.
- 2.3 That a review of the Code of Corporate Governance be undertaken in 12 months' time.
- 2.4 That progress on the Action Plan is monitored by the Corporate Management Team.

### **3.0 Report Details**

#### **Background**

- 3.1 As good practice and to promote sound governance arrangements local authorities are recommended to adopt and regularly review a Code of Corporate Governance. The Code of Corporate Governance details the system by which the Council controls and directs its functions and how it relates to its local community. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
- 3.2 The Council's Code of Corporate Governance reflects the latest CIPFA / SOLACE guidance "delivering good governance in Local Government Framework 2016 Edition".
- 3.3 The Annual Governance Statement builds on the annual review of the Code of Corporate Governance. In England, the preparation and publication of an Annual Governance Statement is necessary to meet the statutory requirement set out in the Accounts and Audit (England) Regulations 2015. The Regulation requires authorities to prepare an Annual Governance Statement in accordance with "proper practices" in



relation to internal control. The CIPFA / SOLACE framework, 'Delivering Good Governance in Local Government: Framework (2016)', defines such "proper practices".

3.4 The Annual Governance Statement should be an open and honest self-assessment of the organisation's performance across all of its activities, with a clear statement of the actions being taken or required to address areas of concern. The 2016 CIPFA/SOLACE Framework sets out the following core principles of good governance:-

A) Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;

B) Ensuring openness and comprehensive stakeholder engagement;

C) Defining outcomes in terms of sustainable economic, social and environmental benefits;

D) Determining the interventions necessary to optimize the achievement of the intended outcomes;

E) Developing the entity's capacity, including the capability of its leadership and the individuals within it;

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

G) Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

3.5 Local authorities are required to prepare an annual governance statement in order to report publicly on the extent to which they comply with their own code of governance, which in turn is consistent with the good governance principles in the Framework.

3.6 Within the delivering good governance in Local Government Framework 2016 Edition is a list of the key elements of the structures and processes that comprise an authority's governance arrangements.

The Corporate Management Team and other senior officers have reviewed the position in Chesterfield Borough Council against the key elements and this review is shown at Appendix B.

### **Review of compliance with the Code of Corporate Governance requirements**

- 3.7 The Review in Appendix A shows that compliance with the Code requirements has been largely achieved during the year 2019/20. Where there is only part compliance or no compliance these areas have been addressed within the Annual Governance Statement Action Plan.

### **The Annual Governance Statement**

- 3.8 The review of compliance with the Code of Corporate Governance helps to identify evidence which is then used in the Annual Governance Statement.
- 3.9 The guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) has also been used when producing the Annual Governance Statement. The Annual Governance Statement (Appendix C) and action plan (Appendix D) have been derived from a detailed review of the assurances by senior officers and from the work undertaken and risks identified by internal audit.
- 3.10 The Corporate Management Team and other senior officers have all been involved in the review.
- 3.11 The review indicates that many of the processes and procedures in place at Chesterfield Borough Council are compliant with good practice however there are a number of governance issues that are detailed within the annual governance statement that require addressing.
- 3.12 Where it has been found that there is a gap or an area where the system of internal control could be further improved, the relevant item has been incorporated into an Action Plan shown as Appendix D. The items in the Action Plan have been ranked, with the more significant issues being included in the Annual Governance Statement (Appendix C) that will be published with the Council's Statement of Accounts.

- 3.13 The Annual Governance Statement has been updated to include the impact of COVID 19 on the Council's governance arrangements.
- 3.14 The Annual Governance Statement (Appendix C) follows the layout of a pro forma statement recommended by the CIPFA guidance. The Statement should be signed by the Leader of the Council and the Chief Executive.

#### **4.0 Human resources / people management implications**

- 4.1 None

#### **5.0 Financial implications**

- 5.1 There are no cost implications.

#### **6.0 Legal and data protection implications**

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

#### **7.0 Consultation**

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

#### **8.0 Risk Management**

- 8.1 The failure to operate a sound system of Corporate Governance would represent a significant risk to the Council. The review of the Code of Corporate Governance and the preparation of the Annual Governance Statement have resulted in the production of an action plan to address the risks identified. Progress against the action plan will be monitored by the Corporate Management Team and the Standards and Audit Committee.

## **9.0 Equalities Impact Assessment (EIA)**

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

## **10 Alternative options and reason for rejection**

10.1 Not Applicable

## **11.0 Recommendations**

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

- a) the Annual Review of the Local Code of Corporate Governance for 2019/20 (Appendix A);
- b) The review of the key elements that comprise the Council's governance arrangements (Appendix B)
- c) the Annual Governance Statement (Appendix C);
- d) the Annual Governance Statement Action Plan (Appendix D).

11.2 That the Standards and Audit Committee:

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

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

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

## 12.0 Reasons for recommendations

- 12.1 To enable the Cabinet and the Standards and Audit Committee to monitor compliance with the Code of Corporate Governance.
- 12.2 In order to comply with the requirements of the Accounts and Audit Regulations 2015.
- 12.3 To support the maintenance of sound governance arrangements within the Council.

### Decision information

<b>Key decision number</b>	
<b>Wards affected</b>	<b>All</b>
<b>Links to Council Plan priorities</b>	All

### Document information

<b>Report author</b>	<b>Contact number/email</b>
<b>Jenny Williams</b>	<b>01246 959770 ex 6770</b> <b><u><a href="mailto:Jenny.williams@chesterfield.gov.uk">Jenny.williams@chesterfield.gov.uk</a></u></b>
<b>Background documents</b> These are unpublished works which have been relied on to a material extent when the report was prepared.	
Accounts and Audit (England) Regulations 2015 CIPFA/SOLACE publication – Delivering Good Governance in Local Government Framework 2016 Edition LOCATION: Internal Audit Office	
<b>Appendices to the report</b>	
Appendix A	Annual Review of the Code of Corporate Governance
Appendix B	Review of the key elements that comprise the Council's governance arrangements
Appendix C	Annual Governance Statement
Appendix D	Annual Governance Statement Action Plan

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**Chesterfield Borough Council**  
**Local Code of Corporate Governance – 2019/20 Review**

<p><b>Principle A</b></p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 31</p>	<p><b>A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</b></p> <p>Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.</p>
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<b>Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice</b>	<b>Responsibility</b>	<b>Examples of systems, processes, documentation and other evidence demonstrating compliance</b>	<b>CBC Situation</b>	<b>Compliance Achieved</b>
<p><b>Behaving with integrity</b>            Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby</p>	<p>Members, SLT, CMT</p>	<ul style="list-style-type: none"> <li>• Codes of conduct</li>   <li>• Individual sign</li> </ul>	<p>Member and Officers Codes of Conduct are within the Constitution.</p> <p>Complaints procedures in place. Councillor</p>	<p>Yes</p>

<b>Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice</b>	<b>Responsibility</b>	<b>Examples of systems, processes, documentation and other evidence demonstrating compliance</b>	<b>CBC Situation</b>	<b>Compliance Achieved</b>
protecting the reputation of the organisation		<p>off with regard to compliance with code</p> <ul style="list-style-type: none"> <li>• Induction for new members and staff on standard of behaviour expected</li> <li>• Adherence to behaviours outlined in council's competency framework</li> </ul>	<p>complaints assessed in accordance with the council procedure</p> <p>All new staff follow an induction process with their line manager and are required to complete various online training modules</p> <p>Councillors have training on standards generally and also specifically (relating to e.g. planning, licensing). Training is supplemented by updates and refresher sessions as well as advice as necessary. Specific standing orders, guidance and training to enable virtual meetings</p>	



Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 33		<ul style="list-style-type: none"> <li>• Performance appraisals</li> </ul>	<p>during Covid-19.</p> <p>The Council is strongly working towards all staff having annual performance appraisals, mid- year review and 1:1's</p>	
Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Members, SLT, Monitoring Officer	Communicating shared values with members, staff, the community and partners	There is a Council Plan that includes a vision statement which is approved by Council on an annual basis. The Council Plan is cascaded down through SLT, CMT, service Managers meetings, the core brief, team meetings, the aspire intranet and the Borough	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
			Bulletin.	
Leading by example and using these standard operating principles or values as a framework for decision making and other actions	Members, SLT, CMT	<ul style="list-style-type: none"> <li>• Decision making practices</li> <li>• Declarations of interests made at meetings</li> <li>• Conduct at meetings</li> <li>• Shared values guide decision making</li> <li>• Develop and maintain an effective standards committee</li> </ul>	These are set out in the Constitution Declarations of interest are asked for at the start of every Committee meeting. Included in the Members Code of Conduct. Protocols on Members/Officer relations and Employee Code. There is an Audit and Standards Committee to consider these issues. Changes to the Standards system were examined following the publication of A Review of the Committee on the	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
			Standards in Public Life, with the LGA's draft new model code of conduct expected in the summer.	
Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	SMT, CMT Monitoring Officer, Internal Audit Consortium Manager, HR, Assistant Director - Policy and Communications	<ul style="list-style-type: none"> <li>• Anti-fraud and corruption policies are working effectively</li> </ul>	Anti-Fraud Bribery and Corruption policy reviewed and approved by the Standards and Audit Committee September 18 and advertised to staff on the intranet. Anti – fraud training provided to officers and Members September 16.  Fraud and corruption training module on Aspire Learning.	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
		<ul style="list-style-type: none"> <li>• Up-to-date register of interests (members and staff)</li> <li>• Up-to-date register of gifts and hospitality</li>   <li>• Whistleblowing policies are in</li> </ul>	<p>Members and staff are expected to declare any interests. How this information is kept and updated is being reviewed following internal audit recommendations.</p> <p>There is a current register of gifts and hospitality. How this information is kept and updated is being reviewed following internal audit recommendations.</p> <p>The Council has a current Confidential</p>	

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 37		<p>place and protect individuals raising concerns</p> <ul style="list-style-type: none"> <li>• Whistleblowing policy has been made available to members of the public, employees, partners and contractors</li> <li>• Complaints policy and examples of responding to complaints about behaviour</li> <li>• Changes/improv</li> </ul>	<p>Reporting Code (Whistleblowing Policy) in place</p> <p>The Confidential Reporting Policy is on the intranet and the Council's website</p> <p>The Council keeps a record of complaints and how they are dealt with</p> <p>Lessons are learnt from</p>	

<b>Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice</b>	<b>Responsibility</b>	<b>Examples of systems, processes, documentation and other evidence demonstrating compliance</b>	<b>CBC Situation</b>	<b>Compliance Achieved</b>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 38</p>		<p>ements as a result of complaints received and acted upon</p> <ul style="list-style-type: none"> <li>• Members and officers code of conduct refers to a requirement to declare interests</li> <li>• Minutes show declarations of interest were sought and appropriate declarations made</li> </ul>	<p>complaints</p> <p>The Members and Officers Codes of Conduct refer to a requirement to declare interests</p> <p>Declarations of interest is a standard heading on Committee agendas and minutes and any declarations are recorded</p>	
<b>Demonstrating strong commitment to ethical</b>	SLT, CMT Members, Monitoring	<ul style="list-style-type: none"> <li>• Scrutiny of ethical decision</li> </ul>	There are 3 Scrutiny Committees:-	Yes

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

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<b>Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice</b>	<b>Responsibility</b>	<b>Examples of systems, processes, documentation and other evidence demonstrating compliance</b>	<b>CBC Situation</b>	<b>Compliance Achieved</b>
behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	CMT, Monitoring Officer	awareness training	<p>training on ethical standards which is repeated as necessary. Regulatory Committees have a mandatory training requirement. Specific training given for virtual meetings during Covid-19.</p> <p>All staff and elected members receive a comprehensive induction which covers behaviour and ethical values</p> <p>Training is also available to both members and officers on specific equality and diversity issues.</p>	



Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 41			The Council has established core values which are publicised widely to staff and members and re-enforced during the Performance Development Review process.	
Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	SLT, CMT Assistant Director - Policy and Communications , Monitoring Officer Human Resources	<ul style="list-style-type: none"> <li>• Appraisal processes take account of values and ethical behaviour</li> <li>• Staff appointments policy</li> <li>• Procurement policy</li> </ul>	<p>An employee's commitment to the Council's values are assessed at performance development reviews.</p> <p>Anti- harassment and bullying policy</p> <p>Anti- Fraud, Bribery and corruption policy</p>	Part – The Procurement Strategy requires approval

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
			<p>Code of Conduct</p> <p>Equality, diversity and social inclusion policy</p> <p>There is a recruitment Policy that ensures a fair appointments process</p> <p>The Procurement Strategy is currently in Development</p>	
<p>Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation</p>	<p>SLT,CMT</p>	<ul style="list-style-type: none"> <li>Agreed values in partnership working: Statement of business ethics communicates commitment to ethical values to</li> </ul>	<p>There is a partnership guidance/protocol in place. This includes new arrangements for considering partnership arrangements including concerns and resource requests at Finance and Performance Board.</p>	<p>Yes</p>

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 43		<ul style="list-style-type: none"> <li>external suppliers</li> <li>• Ethical values feature in contracts with external service providers</li> <li>• Protocols for partnership working</li> </ul>		
<p><b>Respecting the rule of law</b> Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations</p>	SLT, CMT Monitoring Officer	<ul style="list-style-type: none"> <li>• Statutory provisions</li> <li>• Statutory guidance is followed</li> <li>• Constitution</li> </ul>	Legal Services Protocols Constitution Standards and Audit Committee Procedures in place and training to ensure e.g. planning decisions properly made. Legal duty to promote and maintain standards and vested in Standards and	Yes

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
<p>Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements</p>	<p>SLT, CMT, HR, Monitoring Officer</p>	<ul style="list-style-type: none"> <li>• Job description/specs</li> <li>• Compliance with CIPFA's <i>Statement on the Role of the Chief Financial Officer in Local Government</i> (CIPFA, 2015)</li> <li>• Terms of reference</li> </ul>	<p>Audit Committee</p> <p>All jobs are required to have job descriptions and person specifications that must be reviewed each time a post becomes vacant. Employment contracts specify whether posts are politically restricted and the constraints placed on office holders</p> <p>The Chief Finance Officer is the nominated section 151 Officer and there is also a nominated Deputy. CIPFA'S statement on the role of the Chief Financial Officer is</p>	<p>Yes</p>

Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	Responsibility	Examples of systems, processes, documentation and other evidence demonstrating compliance	CBC Situation	Compliance Achieved
Page 45		<ul style="list-style-type: none"> <li>Committee support</li> </ul>	<p>complied with</p> <p>Each Committee has its own terms of reference</p> <p>The Local Government and Regulatory Law Manager (the Council's senior solicitor) is the Monitoring Officer. The Deputy Monitoring Officer is a nominated solicitor in their team</p> <p>The Constitution is underpinned by legal references</p> <p>Democratic and Scrutiny functions.</p>	

<b>Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice</b>	<b>Responsibility</b>	<b>Examples of systems, processes, documentation and other evidence demonstrating compliance</b>	<b>CBC Situation</b>	<b>Compliance Achieved</b>
Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	Monitoring Officer	Record of legal advice provided by officers	<p>Constitution is underpinned by legal references Committee minutes and reports</p> <p>Constitution reviewed and updated as necessary and is subject to regular review, with amendments approved by Standards and Audit committee/Full Council (as appropriate). Special emergency delegations and arrangements for virtual meetings put in place with approval of Standards and Audit Committee during Covid-19</p>	Yes

<b>Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice</b>	<b>Responsibility</b>	<b>Examples of systems, processes, documentation and other evidence demonstrating compliance</b>	<b>CBC Situation</b>	<b>Compliance Achieved</b>
Dealing with breaches of legal and regulatory provisions effectively Page 47	Monitoring Officer	<ul style="list-style-type: none"> <li>• Monitoring officer provisions</li> <li>• Record of legal advice provided by officers</li> <li>• Statutory provisions</li> </ul>	The Council has a Monitoring Officer With oversight of governance at the Council and a Deputy Monitoring Officer (in whom vests the legal function in the absence of the Monitoring Officer)	Yes
Ensuring corruption and misuse of power are dealt with effectively	SLT, CMT Monitoring Officer, Internal Audit Consortium Manager,	<ul style="list-style-type: none"> <li>• Effective anti-fraud and corruption policies and procedures</li> <li>• Local test of assurance (where appropriate)</li> </ul>	The Anti-Fraud Bribery and Corruption Policy was approved by the Standards and Audit Committee September 2018	Yes

<b>Principle B</b>	<b>Ensuring openness and comprehensive stakeholder engagement</b> Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders			
<b>Openness</b> Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	Members, SLT, CMT	<ul style="list-style-type: none"> <li>• Annual report</li> </ul>	There is not a specific annual report published but there are other means of communication:- <ul style="list-style-type: none"> <li>• Annual financial statements</li> <li>• Council Plan</li> <li>• The council Newsletter "Your Chesterfield" which includes Our Homes for Tenants and Leaseholders</li> <li>• The council website</li> <li>• Videos</li> <li>• Social media channels.</li> <li>• An annual report to tenants is prepared and sent to the Housing Regulator</li> </ul>	Yes



		<ul style="list-style-type: none"> <li>• Freedom of Information Act publication scheme</li> <li>• Online council tax information</li> <li>• Authority's goals and values</li> <li>• Authority website</li> </ul>	<p>(HCA), published on the website and summarised in the Our Homes publication which goes to all households in the Borough as part of the Your Chesterfield publication.</p> <ul style="list-style-type: none"> <li>• Core brief to staff</li> </ul> <p>The Council has adopted a current FOI Publication Scheme</p> <p>Council Tax information is on the website</p> <p>Included in the Council Plan</p> <p>Current website full of information</p>	
Making decisions that are open about actions, plans,	Members, SLT, CMT	Record of decision making and supporting	All reports are "open" agenda items unless	Yes

<p>resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided</p>		<p>materials</p>	<p>there is a valid reason to exclude the public. All decisions by Committees are minuted</p>	
<p>Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear</p>	<p>Assistant Director - Policy and Communications Democratic and Scrutiny Officer</p>	<ul style="list-style-type: none"> <li>• Decision making protocols</li> <li>• Report pro-formas</li>   <li>• Record of professional advice in reaching decisions</li> </ul>	<p>Set out in the Constitution</p> <p>There is a template for Committee reports with Standard headings and an online system in place for reviewing and signoff of reports via ModGov</p> <p>Officers reports are all retained with the Committee agendas and papers Officer</p>	<p>Yes</p>

		<ul style="list-style-type: none"> <li>• Meeting reports show details of advice given</li> <li>• Discussion between members and officers on the information needs of members to support decision making</li> <li>• Agreement on the information that will be provided and timescales</li> <li>• Calendar of dates for submitting, publishing and distributing timely reports is adhered to</li> </ul>	<p>Recommendations included in Committee reports</p> <p>Members can request whatever information they need</p> <p>Terms of reference of the Committees and scheduled meetings during the year</p> <p>Meeting timetable is published</p>	
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<p>Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> <li>• Community strategy</li> <li>• Use of consultation feedback</li> <li>• Citizen survey</li> </ul>	<p>Communications and engagements strategy which includes an annual action plan. Housing have a Customer Engagement Strategy as required by the HCA and provide a variety of opportunities for tenants to be involved in and shape service delivery including a Tenant Challenge "Scrutiny" Panel.</p>	<p>Yes</p>
<p><b>Engaging comprehensively with institutional stakeholders</b> Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably</p>	<p>Assistant Director – Policy and Communications</p>	<p>Communication Strategy</p>	<p>There is an approved internal and external communication and engagement strategy in place.</p> <p>Senior Leadership Team has defined relationship leads.</p>	<p>Yes</p>

<p>Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively</p>	<p>SLT, CMT</p>	<p>Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes</p>	<p>Stakeholder groups identified for different consultation types e.g. community and voluntary sector, sport and leisure organisations, planning consultations, equality and diversity forum etc. Bespoke communication consultation and research plans.</p>	<p>Yes</p>
<p>Ensuring that partnerships are based on: trust a shared commitment to change a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit</p>	<p>SLT, CMT Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> <li>• Partnership framework</li>   <li>• Partnership protocols</li> </ul>	<p>Housing's Tenant Challenge Panel (Scrutiny equivalent) has a clear set of Terms of Reference and Code of Conduct for Members.</p> <p>A partnership guidance/protocol has been developed. This includes new arrangements for considering partnership arrangements including concerns and resource</p>	<p>Yes</p>

			requests at Finance and Performance Board.	
<p><b>Engaging stakeholders effectively, including individual citizens and service users</b></p> <p>Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.</p>	Assistant Director - Policy and Communications	<ul style="list-style-type: none"> <li>Record of public consultations</li> <li>Partnership framework</li> </ul>	<p>Communications and Engagement Strategy including an annual action plan.</p> <p>Consideration in decision reports</p> <p>Equality impact assessments</p>	Yes
<p>Passing on 4</p> <p>Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement</p>	Assistant Director – Policy and Communications	Communications strategy	<p>There is an approved communications and engagement strategy in place.</p> <p>Community Engagement Group</p> <p>Derbyshire wide engagement group to share best practice and</p>	Yes

			develop joint approaches where applicable	
<p>Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs</p> <p>Page 55</p>	<p>Assistant Director - Policy and Communications and Marketing Manager</p>	<ul style="list-style-type: none"> <li>• Communications strategy</li> <li>• Joint strategic needs assessment</li> </ul>	<p>There is an approved Communication and Engagement Strategy in place including an annual action plan</p> <p>Annual Community Engagement Programme</p> <p>Housing operates a variety of ways for tenants to be involved and give their views e.g. focus groups/ formal meetings/ informal drop in's/ use of a consultation bus in the community. Stakeholder mapping. Bespoke communication consultation and research plans developed.</p>	<p>Yes</p>
<p>Implementing effective</p>	<p>Assistant</p>	<p>Communications</p>	<p>There is an approved</p>	<p>Yes</p>

<p>feedback mechanisms in order to demonstrate how their views have been taken into account</p>	<p>Director - Policy and Communications Communications and Marketing Manager</p>	<p>strategy</p>	<p>Communication and Engagement Strategy in place.</p> <p>Community Engagement Group A consultation page is being developed on the website which brings together all consultation activities including “you said, we did” reports on what actions were taken following consultation.</p> <p>Part of decision making process – report template</p> <p>Equality Impact Assessments</p> <p>Results of consultation exercises are published e.g. employee survey.</p>	
<p>Balancing feedback from more active stakeholder groups with other stakeholder</p>	<p>Assistant Director - Policy and</p>	<p>Processes for dealing with competing demands within the</p>	<p>Forms part of the decision making report template</p>	<p>Yes</p>



groups to ensure inclusivity	Communications	community, for example a consultation	Equality Impact Assessments	
Taking account of the interests of future generations of tax payers and service users	SLT, CMT	<ul style="list-style-type: none"> <li>• Reports</li> <li>• Joint strategic needs assessment</li> </ul>	<p>Annual State of the Borough Report and briefing notes on emerging issues.</p> <p>Horizon scanning activity with Corporate Cabinet/SLT/CMT at development days Review of the Council Plan</p>	Yes

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

<p>the course of a year or longer</p>		<ul style="list-style-type: none"> <li>• Corporate and service plans</li> <li>• Community strategy</li> </ul>	<p>Service Plans are renewed every year and are developed from the Council Plan</p> <p>Communications and Engagement Strategy</p> <p>State of the Borough Report</p>	
<p>Delivering defined outcomes on a sustainable basis within the resources that will be available</p>	<p>SLT, CMT</p>	<p>Regular reports on progress</p>	<p>The Council Plan is aligned to the medium term financial plan and refreshed each year on the basis of the affordability of each of the priorities</p>	<p>Yes</p>
<p>Identifying and managing risks to the achievement of outcomes</p>	<p>SLT, CMT, Risk Management Group, Standards and Audit Committee</p>	<ul style="list-style-type: none"> <li>• Performance trends are established and reported upon</li> <li>• Risk management protocols</li> </ul>	<p>The performance framework includes quarterly challenge at Finance and Performance Board and Overview and Performance Scrutiny. Annual performance report to Cabinet.</p>	<p>Yes</p>

			<p>The risk management group meets on a quarterly basis and reviews the strategic risk register and the service risk registers on a rotational basis</p> <p>There is a risk management strategy in place</p>	
<p>Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available</p> <p>Page 60</p>	SLT, CMT	<ul style="list-style-type: none"> <li>• An agreed set of quality standard measures for each service element and included in service plans</li> <li>• Processes for dealing with competing demands within the community</li> </ul>	<p>Communications and Engagement strategy</p> <p>Service plans include performance targets</p> <p>Budgeting/service reviews/forward planning</p>	Yes

<p><b>Sustainable economic, social and environmental benefits</b></p> <p>Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision</p>	<p>Members, SLT, CMT</p>	<p>Capital investment is structured to achieve appropriate life spans and adaptability for future use or that resources (e.g. land) are spent on optimising social, economic and environmental wellbeing:</p> <ul style="list-style-type: none"> <li>• Capital programme</li>   <li>• Capital investment strategy</li> </ul>	<p>The Council's property portfolio is constantly under review. The aim is to sell a number of assets to release funds for capital projects.</p> <p>The capital programme is approved by Members each year. Officers have to submit capital bids</p> <p>There is a treasury management strategy that is reviewed and approved on an annual basis</p>	<p>Yes</p>
<p>Taking a longer-term view with regard to decision making, taking account of risk</p>	<p>Members, SLT, CMT</p>	<ul style="list-style-type: none"> <li>• Discussion between members and</li> </ul>	<p>Meetings with Cabinet Member for Governance on constitution review</p>	<p>Yes</p>

<p>and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints</p>		<p>officers on the information needs of members to support decision making</p> <ul style="list-style-type: none"> <li>Record of decision making and supporting materials</li> </ul>	<p>and effective decision making. Scrutiny interest in these matters.</p> <p>HRA Business Plan Steering Group to lead on the development of the HRA Business Plan. Comprises of tenants, officers and elected members (scrutiny is part of this group)</p> <p>All committee meetings are minuted and the associated reports retained</p>	
<p>Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs</p>	<p>Assistant Director - Policy and Communications</p>	<ul style="list-style-type: none"> <li>Record of decision making and supporting materials</li> <li>Protocols for consultation</li> </ul>	<p>Communications and Engagement Strategy Annual action plans</p> <p>State of the Borough Report. Modgov system to access decision making papers and records.</p>	<p>Yes</p>

<p>Ensuring fair access to services</p>	<p>Assistant Director - Policy and Communications</p>	<p>Protocols ensure fair access and statutory guidance is followed</p>	<p>Communications and Engagement Strategy</p> <p>Consultation is part of The Council's Equality Impact Assessments. Equality, Diversity and Social Inclusion Policy, Strategy and action plan.</p>	<p>Yes</p>
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<p><b>Principle D</b></p>	<p><b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b></p> <p>Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.</p>			
<p><b>Determining interventions</b></p> <p>Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided</p>	<p>SLT, CMT</p>	<p>Discussion between members and officers on the information needs of members to support decision making</p> <ul style="list-style-type: none"> <li>• Decision making protocols</li> <li>• Option appraisals</li> <li>• Agreement of information that will be provided and timescales</li> </ul>	<p>Member/officer decision making protocols in place</p> <p>All Committee reports contain various options and an officer recommendation</p> <p>All committee reports contain a risk analysis</p>	<p>Yes</p>



<p>Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts</p>	<p>SLT, CMT</p>	<p>Financial strategy</p>	<p>There is a medium term financial strategy in place and a savings plan both of which are regularly reviewed.</p> <p>HRA Business Plan Steering Group has been fully involved in recommending financial savings to Cabinet in respect of HRA Business Plan.</p>	<p>Yes</p>
<p><b>Planning interventions</b> Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets</p>	<p>SLT, CMT</p>	<p>Calendar of dates for developing and submitting plans and reports that are adhered to</p>	<p>Schedule of meetings in place Annual budgets and revised budgets Council Plan reviewed annually Forward Plan</p>	<p>Yes</p>
<p>Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered</p>	<p>Assistant Director - Policy and Communications</p>	<p>Communication strategy</p>	<p>The Council has adopted a Communications and Engagement Strategy and develops annual action plans. Core brief. Feedback given on</p>	<p>Yes</p>

			consultation via the CBC website, social media, public meetings, and Your Chesterfield/ Our Homes where appropriate	
Considering and monitoring risks facing each partner when working collaboratively including shared risks	SLT, CMT Assistant Director - Policy and Communications	<ul style="list-style-type: none"> <li>• Partnership framework</li> <li>• Risk management protocol</li> </ul>	There is a risk management strategy in place that is refreshed every year. There is a risk management group	Yes
Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	SLT, CMT	Planning protocols	<p>Corporate Management Team managers are empowered to run their service flexibly to deliver the Council Plan priorities.</p> <p>Competency based Job Descriptions/Person Specifications for SLT/CMT increases flexibility and agility. This is being rolled out across the Council.</p>	Yes

			One Council: One Team is a core CBC value which is considered during all Performance Development Reviews.	
Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	SLT, CMT	KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly	Service plans all contain performance indicators.  The performance framework includes quarterly challenge at Finance and Performance Board and Overview and Performance Scrutiny. Annual update on progress against the Council Plan.	Yes
Ensuring capacity exists to generate the information required to review service quality regularly	SLT, CMT	Reports include detailed performance results and highlight areas where corrective action is necessary	The Policy and Communications Service has now been restructured with resources being identified to embed the framework.	Yes

			The performance framework includes quarterly challenge at Finance and Performance Board and Overview and Performance Scrutiny. Annual Performance report to Cabinet.	
Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan	Chief Finance Officer / Chief Accountant	Evidence that budgets, plans and objectives are aligned	Accountancy has regular budget meetings with service managers. Budgets prepared in liaison with service managers taking in to account service plans and savings targets	Yes
Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	Chief Finance Officer / Chief Accountant	<ul style="list-style-type: none"> <li>• Budget guidance and protocols</li> <li>• Medium term financial plan</li> <li>• Corporate plans</li> </ul>	Budget guidance protocols issued to all managers There is a medium term financial plan that is reported to Members There is a Finance and Performance Board that meets every fortnight	Yes

<p><b>Optimising achievement of intended outcomes</b> Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints</p>	<p>Chief Finance Officer / Chief Accountant</p>	<ul style="list-style-type: none"> <li>• Feedback surveys and exit/ decommissioning strategies</li> <li>• Changes as a result</li> </ul>	<p>Service managers are involved in the budget and revised budget process and receive monthly budget information. The medium term financial plan incorporates budget savings targets etc.</p>	<p>Yes</p>
<p>Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term</p>	<p>Chief Finance Officer</p>	<p>Budgeting guidance and protocols</p>	<p>Budget guidance and protocols are issued to all service managers. Well established budget preparation and review procedures Budget challenge sessions</p>	<p>Yes</p>
<p>Ensuring the medium term financial strategy sets the context for on-going decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for</p>	<p>Chief Finance Officer</p>	<p>Financial strategy</p>	<p>The financial strategy is regularly reviewed and updated as new external information emerges</p>	<p>Yes</p>

<p>outcomes to be achieved while optimising resource usage</p>				
<p>Ensuring the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes"</p> <p>Page 70</p>	<p>SLT,CMT</p>	<ul style="list-style-type: none"> <li>• Service plans demonstrate consideration of 'social value'</li> <li>• Achievement of 'social value' is monitored and reported upon</li> </ul>	<p>The priorities in the Council plan are</p> <ol style="list-style-type: none"> <li>1) To make Chesterfield a thriving Borough</li> <li>2) To improve the quality of life for local people</li> <li>3) To provide value for money services</li> </ol> <p>Service plans are built up to reflect these priorities</p>	<p>Yes</p>

<p><b>Principle E</b></p>	<p><b>Developing the entity’s capacity, including the capability of its leadership and the individuals within it</b></p> <p>Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.</p>			
<p><b>Developing the entity’s capacity</b> Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness</p>	<p>SLT, CMT Executive Director/Kier</p>	<p>Regular reviews of activities, outputs and planned outcomes</p>	<p>The use of the Council’s buildings is regularly reviewed to ensure that they are fully utilised or potentially sold. The Town Hall is being modernised to facilitate bringing in other businesses to share the accommodation. Council staff from Venture house have been relocated so that more rental income can be achieved at Venture</p>	<p>Part compliance – Condition surveys have been used to identify the works required for some non- housing properties and 10 year plans developed however there are still further properties to assess and the budget implications.</p>

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



effectively and efficiently			<p>regard to those in place in other areas and reviewed each year by Cabinet.</p> <p>Sector led improvement activity including LGA peer challenge, East Midlands Performance Network and APSE.</p>	
<p>Recognising the benefits of partnerships and collaborative working where added value can be achieved</p>	Members, SLT, CMT	Effective operation of partnerships which deliver agreed outcomes	The Council has many partnerships including Arvato, Kier, Internal Audit Consortium, a Building Control company, Joint Crematorium, Sheffield City Region and D2N2 LEP; these are monitored to ensure that the desired outcomes are obtained	Yes
Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	SLT, CMT, HR	<ul style="list-style-type: none"> <li>• Workforce plan</li> <li>• Organisational development plan</li> </ul>	The Council has a People Plan 2019 - 23 that all managers have been made aware of.	Yes

<p><b>Developing the capability of the entity's leadership and other individuals</b></p> <p>Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained</p>	<p>SLT, Democratic Services, Monitoring Officer</p>	<ul style="list-style-type: none"> <li>• Job descriptions</li> <li>• Chief executive and leader pairings have considered how best to establish and maintain effective communication</li> </ul>	<p>Every post has a job description and person specification. The CE has regular meetings with the leader</p>	<p>Yes</p>
<p>Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body</p>	<p>Monitoring Officer</p>	<ul style="list-style-type: none"> <li>• Scheme of delegation reviewed at least annually in the light of legal and organisational changes</li> <li>• Standing orders and financial regulations which are reviewed on a regular basis</li> </ul>	<p>The Constitution is reviewed on an on-going basis</p> <p>Standing orders and financial regulations are reviewed periodically with special standing orders put in place for virtual meetings during Covid-19.</p>	<p>Yes</p>

<p>Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority</p>	Members, CE	Clear statement of respective roles and responsibilities and how they will be put into practice	The Constitution defines the roles of Committees and Members. Part 2 of the Constitution defines management roles at paragraph 12.1 including the role of the Chief Executive.	Yes
<p>Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as</p>	SLT, CMT, HR	<ul style="list-style-type: none"> <li>• Induction programme</li> <li>• Personal development plans for members and officers</li> </ul>	Training programme for managers – management modules on Aspire Learning Annual performance development reviews that identify training requirements	Yes

<p>well as economic, political and environmental changes and risks by:</p> <p>-ensuring members and staff have access to appropriate induction tailored to their role and that on-going training and development matching individual and organisational requirements is available and encouraged</p> <p>ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</p> <p>ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from</p>		<p>For example, for members this may include the ability to:</p> <ul style="list-style-type: none"> <li>• scrutinise and challenge</li> <li>• recognise when outside expert advice is required</li> <li>• promote trust</li> <li>• work in partnership</li> <li>• lead the organisation</li> <li>• act as a community leader</li> <li>• Efficient systems and technology used for effective support</li> </ul>	<p>Induction programme IIP accreditation. Specific series of training provided for remote leadership and management during Covid-19</p> <p>Cabinet members and senior management hold regular away days to foster a collaborative working relationship.</p> <p>All members undergo induction training, and this is supplemented by specific training on e.g. planning, licensing, standards. Officers undergo relevant CPD to ensure their professional skills and knowledge maintained and updated. Specific training given for virtual meetings during Covid-19.</p>	
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governance weaknesses both internal and external		Arrangements for succession planning	People Plan 2019 - 23	
Ensuring that there are structures in place to encourage public participation page 77	Assistant Director - Policy and Communications	<ul style="list-style-type: none"> <li>Residents' panels</li> <li>Stakeholder forum terms of reference</li> <li>Strategic partnership frameworks</li> </ul>	<p>Communications and Engagement Strategy</p> <p>Annual Community Engagement Programme</p> <p>Stakeholder mapping</p> <p>Bespoke communication consultation and research plans</p>	Yes
Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	SLT, CMT Democratic Services / Monitoring Officer	<ul style="list-style-type: none"> <li>Reviewing individual member performance on a regular basis taking account of their attendance and considering</li> </ul>	<p>Member development Group includes learning and development programme</p> <p>Investors in people</p>	Yes

		<p>any training or development needs</p> <ul style="list-style-type: none"> <li>• Peer reviews</li> </ul>	<p>Employee survey Core brief</p> <p>Peer review planned March 20 (cancelled due to COVID-19, to be re arranged)</p>	
<p>Holding staff to account through regular performance reviews which take account of training or development needs</p>	<p>SLT, CMT</p>	<ul style="list-style-type: none"> <li>• Training and development plan</li> <li>• Staff development plans linked to appraisals</li> <li>• Implementing appropriate human resource policies and ensuring that they are working effectively</li> </ul>	<p>Annual PDRs and regular 1:1's. The PDR contains Objectives and Learning Plan that is completed.</p> <p>Learning and Development undertaken in the previous year is also reviewed.</p> <p>There are appropriate human resources policies in place.</p>	<p>Yes</p>
<p>Ensuring arrangements are in place to maintain the health and wellbeing of the</p>	<p>SLT, CMT HR/Health and</p>	<p>Human resource / Health and Safety policies</p>	<p>Managing workplace Stress policy Capability Policy</p>	<p>Yes</p>

workforce and support individuals in maintaining their own physical and mental wellbeing	Safety		Managing attendance Policy Mental Health awareness training day for managers. Training on various topics available on Aspire Learning. Referral to Occupational Health. Corporate Health & Safety Committee	
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<p><b>Principle F</b></p>	<p><b>Managing risks and performance through robust internal control and strong public financial management</b></p> <p>Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities.</p> <p>A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.</p> <p>It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.</p>			
<p><b>Managing risk</b>  Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making</p>	<p>Members, SLT, CMT</p>	<p>Risk management protocol</p>	<p>There is a risk management strategy in place that is reviewed every year.  All committee reports include a risk section</p>	<p>Yes</p>
<p>Implementing robust and integrated risk management arrangements and ensuring that they are working</p>	<p>Executive Director</p>	<p>Risk management strategy/ policy formally approved and adopted and reviewed</p>	<p>There is a risk management strategy in place that is reviewed every year.</p>	<p>Yes</p>



effectively		and updated on a regular basis	There is a Corporate risk register and service risk registers There is a risk management Group that meets on a quarterly basis.	
Ensuring that responsibilities for managing individual risks are clearly allocated page 81	Risk Management Group, SLT, CMT	Risk management protocol	The risk management strategy outlines everybody's responsibilities Individual risk owners are identified on operational risk registers.	Yes
<b>Managing performance</b> Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	SLT, CMT	<ul style="list-style-type: none"> <li>• Performance map showing all key activities have performance measures</li> <li>• Benchmarking information</li> <li>• Cost performance (using inputs and outputs)</li> </ul>	<p>All areas have a service plan and performance measures form part of that.</p> <p>Finance and Performance Board receives regular reports from each service to track delivery against financial targets.</p>	Yes

		<ul style="list-style-type: none"> <li>• Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</li> </ul>	Performance Management Framework with quarterly reporting schedule.	
<p>Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and Outlook</p>	Member, SLT, CMT	<ul style="list-style-type: none"> <li>• Discussion between members and officers on the information needs of members to support decision making</li> <li>• Publication of agendas and minutes of meetings</li> <li>• Agreement on the information that will be needed and timescales</li> </ul>	<p>All committee reports have a section for risk that officers must complete for Members information.</p> <p>All agendas and minutes are published</p> <p>Agreed between Members and Officers</p>	Yes

<p>Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible</p> <p>(OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</p>	<p>Monitoring Officer, Assistant Director - Policy and Communications Democratic and Scrutiny Officer.</p>	<ul style="list-style-type: none"> <li>• The role and responsibility for scrutiny has been established and is clear</li> <li>• Agenda and minutes of scrutiny meetings</li> <li>• Evidence of improvements as a result of scrutiny</li> <li>• Terms of reference</li> <li>• Training for members</li> <li>• Membership</li> </ul>	<p>Scrutiny Roles and Responsibilities are defined in the Constitution. There are 3 scrutiny committees:-</p> <ul style="list-style-type: none"> <li>• Enterprise and Wellbeing,</li> <li>• Community, Customer and Organisational</li> <li>• Overview and Performance</li> </ul> <p>Their role is to produce reports and recommendations which advise Cabinet, the Council or relevant Committees on Policies, budget and service delivery.</p>	<p>Yes</p>
<p>Providing members and senior management with regular reports on service delivery plans and on progress towards outcome</p>	<p>CMT</p>	<p>Calendar of dates for submitting, publishing and distributing timely reports that are adhered to</p>	<p>A full Committee calendar is published at the start of each financial year</p>	<p>Yes</p>

achievement				
Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg. financial statements)	Chief Finance Officer / Chief Accountant	<ul style="list-style-type: none"> <li>• Financial standards, guidance</li> <li>• Financial regulations and standing orders</li> </ul>	Financial Standards and guidance are adhered to. The accounts are audited by Mazars. Financial Regulations and Standing orders are within the Constitution	Yes
<b>Robust internal control</b> Aligning the risk management strategy and policies on internal control with achieving the objectives	Internal Audit Consortium Manager	<ul style="list-style-type: none"> <li>• Risk management strategy</li> <li>• Audit plan</li> <li>• Audit reports</li> </ul>	The audit plan takes in to account high risk areas and areas that are included in the corporate and service risk registers	Yes
Evaluating and monitoring the authority's risk management and internal control on a regular basis	Standards and Audit Committee, Internal Audit Consortium Manager	Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular	The risk management Strategy is formally reviewed and approved every year by Standards and Audit Committee and Cabinet	Yes

		basis	Internal Audit review the Council's risk management arrangements		
Page 85	Ensuring effective counter fraud and anti-corruption arrangements are in place	SLT, CMT, Internal Audit Consortium Manager	Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)	Internal Audit review the Council's risk management arrangements	Yes
	Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	Chief Finance Officer, Standards and Audit Committee	<ul style="list-style-type: none"> <li>• Annual governance statement</li> <li>• Effective internal audit service is resourced and maintained</li> </ul>	There is an anti-fraud Bribery and Corruption policy in place (revised September 2018). All managers received fraud awareness training in September 2016	Yes
				The Internal Audit Consortium Manager is heavily involved in producing the AGS. The IAC is resourced and maintained at a satisfactory level. An external review of internal audit took place in October 2016 and concluded that the IA Consortium was compliant with the	

			PSIAS.	
<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment that its recommendations are listened to and acted upon</p>	<p>Standards and Audit Committee</p>	<p>Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2018)</p> <ul style="list-style-type: none"> <li>• Terms of reference</li> <li>• Membership</li> <li>• Training</li> </ul>	<p>The audit committee terms of reference are defined in the constitution. The Committee consists of 7 members – 5 Councillors other than the Executive leader. No more than one of those 5 councillors may be a member of the Cabinet. Two parish reps one from Staveley Town Council and one member of Brimington PC</p> <p>Standards and Audit Committee members received relevant training after appointment in May 19 and new appointees receive relevant training. The Standards and Audit</p>	<p>Yes</p>

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			Committee undertook a self -assessment on the CIPFA audit committees Practical Guidance for Local Authorities and Police 2018 edition and concluded that the Committee complies with best practice.	
<p>89 9 7</p> <p><b>Managing data</b> Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data</p>	<p>Assistant Director Customers, Commissioning and Change , Data Protection Officer</p>	<ul style="list-style-type: none"> <li>• Data management framework and procedures</li> <li>• Designated data protection officer</li> <li>• Data protection policies and procedures</li> </ul>	<p>There is a data disposal and retention schedule covering all areas of the Council.</p> <p>There is a data asset register</p> <p>There is a designated Data Protection Officer</p> <p>The Council's IT and Data Protection Policies have recently been refreshed</p> <p>The GDPR action plan has been completed. The Council has an</p>	<p>Yes</p>

			information assurance risk register in place which details the mitigating actions and steps we are taking to address issues identified	
Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	Assistant Director Customers, Commissioning and Change, Data Protection Officer	<ul style="list-style-type: none"> <li>• Data sharing agreement</li> <li>• Data sharing register</li> <li>• Data processing agreements</li> </ul>	Data sharing agreements have been reviewed and updated where appropriate for GDPR. Processes are in place preventing new contracts being taken out without the appropriate data sharing agreement in place or approval to progress has been provided by the Council's SIRO.	Yes
Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	Assistant Director - Policy and Communications, Executive Director	<ul style="list-style-type: none"> <li>• Data quality procedures and reports</li> <li>• Data validation procedures</li> </ul>	Methodology checks for data e.g. consultation activity, State of the Borough report  Performance Management Framework	Yes



			Service plans are in place.	
<b>Strong public financial management</b> Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance	Chief Finance Officer	Financial management supports the delivery of services and transformational change as well as securing good stewardship	Medium term financial plan Finance and Performance Board Quarterly monitoring reports to Cabinet / Council	Yes
Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	Chief Finance Officer	Budget monitoring reports	Managers receive monthly budget monitoring reports Regular reporting to Members Finance and Performance Board Savings Strategy	Yes

<p><b>Principle G</b></p>	<p><b>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b></p> <p>Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.</p>			
<p><b>Implementing good practice in transparency</b></p> <p>Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and</p> <p>Interrogate</p> <p>Striking a balance between</p> <p>providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand</p>	<p>SLT, CMT</p>	<ul style="list-style-type: none"> <li>• Website</li> <li>• Annual report</li> </ul>	<p>There is an approved Communications and Engagement strategy</p> <p>The website has been developed</p> <p>The council newspaper “Your Chesterfield” which incorporates Our Homes for council tenants is sent out 4 times a year</p> <p>There is no specific annual report but achievements against priorities are communicated to the public through the media, council website, Statement of Accounts and various social media</p>	<p>Yes</p>

			<p>channels.</p> <p>Social media is used to report on council meetings in live time.</p> <p>The style of committee reports is specified to ensure ease of reading and consistency</p>	
<p><b>Implementing good practices in reporting</b></p> <p>Reporting at least annually on performance, value for money and the stewardship of its resources</p>	SLT	<ul style="list-style-type: none"> <li>• Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery</li> <li>• Annual financial statements</li> </ul>	<p>The annual update on the council plan includes a section on performance in the previous year</p> <p>The annual financial statements for 2018/19 were signed off by the required date</p>	Yes
Ensuring members and senior management own the results	Members, SLT	Appropriate approvals	The Corporate Management Team are all involved in monitoring progress against the council plan which is	Yes

			reported to members	
Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	SLT, CMT, Internal Audit Consortium Manager	Annual governance statement	The annual governance statement is produced via a robust process that involves all of the Corporate Management Team. Attainment against the framework is assessed. Each year an action plan is produced and monitored to address identified weaknesses	Yes
Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	SLT, CMT	Annual governance statement	The framework applies to jointly managed and shared service organisations	Yes
Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar	Chief Finance Officer	Format follows best practice	The financial statements are reviewed and signed off by external audit (Mazars) which confirms that they comply with best practice.	Yes

organisations				
<p><b>Assurance and effective accountability</b>  Ensuring that recommendations for corrective action made by external audit are acted upon  Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon</p>	<p>Chief Finance Officer</p>	<ul style="list-style-type: none"> <li>• Recommendations have informed positive improvement</li> <li>• Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2010)</li> <li>• Compliance with Public Sector Internal Audit Standards</li> </ul>	<p>An action plan is put in place to implement external audits recommendations. The implementation of internal audit recommendations is monitored by CMT and the Standards and Audit Committee.  The Internal Audit Consortium Manager is CIPFA qualified and complies with the statement on the role of the Head of Internal Audit.  An external review in October 2016 confirmed that internal audit is compliant with PSIAS. An annual internal self-assessment of internal audit also confirms compliance.</p>	<p>Yes</p>

<p>Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations</p>	<p>SLT, CMT</p>	<p>Recommendations have informed positive improvement</p>	<p>Achieved Investors in people silver status in 2018 – going for gold in 2021</p> <p>External review of Internal audit undertaken October 2016 – action plan in place</p> <p>Effective risk management procedures in place</p> <p>Safeguarding – CBC is fully engaged with the Derbyshire Safeguarding boards including the district sub group which challenge and share best practice amongst district authorities.</p> <p>A peer challenge review is to take place in March 20 (cancelled due to COVID-19, to be re arranged)</p>	<p>Yes</p>
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<p>Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement</p>	<p>SLT, CMT, Internal Audit Consortium Manager</p>	<p>Annual governance statement</p>	<p>Internal audit review the areas that are delivered by Arvato, Kier and Building Control partnership and any significant internal control weaknesses are fed through to the AGS</p>	<p>Yes</p>
<p>Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met</p>	<p>SLT, CMT Assistant Director - Policy and Communications</p>	<p>Community strategy</p>	<p>Communications and Engagement Strategy  Decision making arrangements – committee management and Modgov.</p>	<p>Yes</p>

SLT = Senior Leadership Team  
CMT = Corporate Management Team

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**CHESTERFIELD BOROUGH COUNCIL**

**KEY ELEMENTS OF THE SYSTEMS AND PROCESSES THAT COMPRISE  
THE COUNCIL'S GOVERNANCE ARRANGEMENTS 2019/20**

<b>Key Element</b>	<b>CBC Arrangement</b>
Developing codes of conduct which define standards of behaviour for members and staff, and policies dealing with whistleblowing and conflicts of interest and that these codes and policies are communicated effectively	Codes of conduct for members and staff are included within the Constitution which is available to all staff on the intranet. Codes of conduct cover conflicts of interest. The Employee Code of Conduct was revised in March 2018 The Council has a Confidential Reporting (Whistle blowing) Policy which is held in the policies section on the intranet Councillors have training on standards generally and also specifically (relating to e.g. planning, licensing). Training is supplemented by updates and refresher sessions as well as advice as necessary. All staff and elected members receive a comprehensive induction which covers behaviour and ethical values.
Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful	The Council has a properly resourced internal audit function and have an appointed monitoring officer and Section 151 officer.
Documenting a commitment to openness and acting in the public interest	Annual financial statements Council Plan The Council has adopted a current FOI Publication Scheme Compliance with the Transparency Agenda There is an approved Communication and Engagement Strategy which covers internal and external communications, engagement and consultation. All decisions by Committees are minuted There is an HRA Business Plan Steering Group to lead on the development of the HRA Business Plan that comprises of tenants, officers and elected members.
Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging	The Council Magazine "Your Chesterfield" which includes a specific section around Council Housing (Ours Homes).

open consultation	<p>The Council website  Social Media Channels  Council Tax information is on the website  Current website full of information  All reports are “open” agenda items unless there is a valid reason.  Communications and Engagement Strategy.  Feedback given on consultation through the website.  An annual report to tenants is prepared and sent to the Housing Regulator (HCA), published on the website and a summary sent to all tenants each year via the Your Chesterfield/Our Homes newsletter.  Housing have a Customer Engagement Strategy as required by the HCA and provide a variety of opportunities for tenants to be involved in and shape service delivery e.g. focus groups/formal meetings/informal drop ins/ use of a consultation bus in the community.</p>
Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning	<p>The council has a Council Plan 2019 – 23 which specifies the Council’s vision, priorities and values. This document details the aims of the council and sets the framework for all service plans. The Council Plan is aligned to the medium term financial plan and refreshed each year on the basis of the affordability of each of the priorities.  One Council: One Team is a core CBC value which is considered during all employee Performance Development reviews.</p>
Translating the vision into courses of action for the authority, its partnerships and collaborations	<p>The “vision” / Council Plan is fed in to service plans which include service objectives and performance indicators which all tie back to the Council’s Plan</p>
Reviewing the effectiveness of the decision making in partnerships, information provided to decision makers and robustness of data quality	<p>A new partnership protocol has been adopted. This includes new arrangements for considering partnership arrangements including concerns and resource requests at Finance and Performance Board.</p>
Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money	<p>Annual service plans are produced and link to the council’s objectives. Plans include improvements to performance indicators and projects which has supported increased information and challenge via Finance and Performance Board and Scrutiny. Further improvements planned to coincide with</p>

	new Council Plan and Performance Management Framework 2019 – 2023.
Defining and documenting the roles and responsibilities of members and management with clear protocols for effective communication in respect of the authority and partnership arrangements	The roles of members and management are documented within the Constitution. All managers have job descriptions.
Ensuring that financial management arrangements conform with the governance requirements of the CIPFA statement on the role of the Chief Financial Officer in Local Government (2015) and where they do not, explain why and how they deliver the same impact	The Council has in place an experienced qualified accountant as Chief Financial Officer and complies with the requirements of the CIPFA statement on the Role of the Chief Financial Officer.
Ensuring effective arrangements are in place for the discharge of the monitoring officer function	The Council has an experienced Monitoring Officer and Deputy in place
Ensuring effective arrangements are in place for the discharge of the head of paid service function	The Chief Executive is the Head of Paid service
Providing induction and identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training	All Members undergo induction training and this is supplemented by specific training on e.g. planning, licensing, standards.  All officers have an induction and undergo relevant CPD to ensure that their professional skills and knowledge are maintained and updated. Training needs are identified at Performance Development Reviews and feed through in to a learning and development plan.
Reviewing the effectiveness of the framework for identifying and managing risks and for performance and demonstrating clear accountability	There is a risk management Group in place, membership is made up of senior officers from every area of the Council and the Member for Governance. The Group regularly review the strategic and operational Risk registers. Internal audit undertake regular reviews of the risk management process.
Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained in accordance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA 2014)	The Council has an anti-fraud, bribery and corruption policy and a confidential reporting Code. CIPFA's fraud checklist has been completed and the results reported to the Standards and Audit Committee. Aspire Learning has a fraud risk module that can be completed by all staff.

	The Council has a fraud risk register
Ensuring an effective scrutiny function is in place	There are 3 Scrutiny Committees Overview and Performance Scrutiny Forum Enterprise and Wellbeing Scrutiny Committee Community, Customer and Organisational Scrutiny Committee  An annual Scrutiny report goes to Full Council
Ensuring that assurance arrangements conform with the governance requirements of the CIPFA statement on the Role of the Head of Internal Audit (2019) and, where they do not, explain why and how they deliver the same impact	The Council is compliant with the CIPFA statement on the Role of Head of Internal Audit. The Internal Audit Consortium Manager is CIPFA qualified and there are sufficient resources to deliver the risk based audit plan.
Undertaking the core functions of an audit committee, as identified in Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA 2018)	The Standards and Audit Committee's terms of reference are included within the Constitution. The Standards and Audit Committee undertook a self- assessment of their role against CIPFA's Practical Guidance for Local Authorities and Police 2018 Edition in July 2018. The Committee were found to be compliant.
Ensuring that the authority provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.	The 2018/19 final accounts were signed off in a timely manner. External audit recommendations are properly considered and acted upon.
Incorporating good governance arrangements in respect of partnerships and other joint working and ensuring that they are reflected across the authority's overall governance structures.	Core partnerships are supported by Service Level Agreements and are monitored accordingly by the Council's Client Officer, Joint Board etc. Housing's Tenant Challenge panel has a clear set of Terms of Reference and Code of Conduct for Members.

### CHESTERFIELD BOROUGH COUNCIL

### ANNUAL GOVERNANCE STATEMENT 2019/20

#### **Scope of Responsibility**

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

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

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

#### **The purpose of the governance framework**

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

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

The governance framework has been in place at the Council for the year ended 31<sup>st</sup> March 2020 and up to the date of approval of the Statement of Accounts.

## **The governance framework**

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

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

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

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

**Customer focused:** delivering great customer service, meeting customer needs

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

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

**Honesty and respect:** embracing diversity and treating everyone fairly

## **COVID-19**

Coronavirus was categorised as a pandemic by the World Health Organisation on 11 March 2020. The challenge to the Council was how to continue to provide essential services to residents. The Council's Business Continuity Plan was brought in to play and systems and processes were revised and introduced to focus efforts on the highest prioritised areas. These included:-

- Payments of benefits
- Emergency housing repairs
- Waste collection
- Payment of salaries
- Payment of invoices to suppliers
- Homelessness / rough sleeping
- Death management
- Access to parks and open spaces
- Careline Services

The Council has worked closely with our partner Arvato to ensure that business support grants were paid out as promptly and as accurately as possible. 2175 business grants have been paid out to the value of 25.7 million.

In the community, staff have been redeployed in support of local pharmacies to deliver medicines to residents' homes, have made regular food parcel deliveries to those in need, have provided marshalling services to NHS test sites and are working with local community groups and charities to support a range of activities. Staff have also been redeployed around the council to support the rollout of small business grants, to work at the crematorium and to help ensure the Careline service can keep running for the benefit of the borough's elderly residents.

Updates have been provided to staff and residents through the Council's website and other social media channels such as face book. Many staff are working from home and the progress made in respect of the implementation of the IT strategy has allowed this to happen effectively and securely. The roll out of Microsoft teams has enabled staff to hold meetings and stay in touch remotely.

One issue in March 2020 was the inability to conduct council meetings due to COVID - 19 however, the Council's scheme of delegation was promptly reviewed and updated to allow remote council meetings accessible online by the public, to take place and legal decisions to be made. These virtual meetings have now been rolled out with specific member training and guidance.

The Council's governance arrangements have operated well during the pandemic and allowed all of the above to take place and to keep essential services running.

### **Governance Arrangements**

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

The Council works with a number of partnerships to deliver its aims. Where the Council has entered into partnership arrangements it seeks to ensure that these promote the Council's vision of its purpose and intended outcomes for citizens and service users and that they are subject to appropriate governance and performance management arrangements.

In July 2019 the Council took the decision to remain a member of D2N2 Local Enterprise Partnership (LEP) and relinquish membership of Sheffield City Region LEP although remaining a non constituent member of the SCR mayoral combined authority. This decision was taken against the backdrop of the sustained central government message that LEP overlaps had to cease and increasing pressure from both LEP chairs for CBC to exercise its choice in the matter.

We are a key partner in the East Midlands HS2 partnership which comprises of a cross party group of County Borough, District and City Council leaders, two local enterprise

partnerships and the East Midlands Chamber of Commerce, Midlands Connect and a range of other stakeholders. The prospect of an HS2 connection at Chesterfield station is already driving major regeneration of the town centre and adjacent commercial areas.

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

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

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

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

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

The Council has adopted a 'People Plan 2019 – 2023' which aims at developing great leaders, managing change well, developing capacity and skills, supporting employee wellbeing and providing recognition and reward.

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



The ICT improvement programme is progressing and has so far achieved its targeted objectives. The first phase of savings have been realised and the resilience of core ICT systems is improving. The Council has achieved continued accreditation for the Public Service Network and Cyber Essentials Plus.

The Council has a number of growth and regeneration projects underway e.g. Chesterfield Waterside, Peak Resort, Northern Gateway, Staveley Corridor. A partnership arrangement has been established with DCC, to be led through a Joint Growth Board in order to provide improved focus on the delivery of key projects within the Borough.

In June 2017 Building Control left the Council to become part of a limited company (The Derbyshire Building Control Partnership). There are a series of legal agreements that support the new company including a shareholder agreement and a service level agreement. A separate Board has been set up to govern the new company. The company is consolidating its position in the market and has significantly outperformed the budget forecast as set out in the original business case.

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

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

Internal Audit is provided on a Consortium basis for Bolsover District Council, North East Derbyshire District Council and Chesterfield Borough Council. The Internal Audit function operates in accordance with the Public Sector Internal Audit Standards (PSIAS) and conforms to the requirements of the CIPFA statement on the Role of the Head of Internal Audit 2019. The Internal Audit Consortium Manager is a senior manager, professionally qualified and leads an appropriately resourced and experienced audit team. The external review of internal audit confirmed that the team is compliant with the PSIAS.

Chesterfield Borough Council has a variety of means of communicating with all sections of the community and stakeholders including an internal and external Communication and Engagement Strategy, the Council's website, the publication of "Your Chesterfield" four times a year which includes "Our Homes" for tenants and leaseholders and an annual Community Engagement Programme.

## Review of Effectiveness

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

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

- Internal audit reviews of systems and procedures in accordance with the agreed internal audit plan
- Annual review of the Council's Code of Corporate Governance
- Assessment against the key elements (as specified by CIPFA) of the governance framework
- Monitoring Officer reviews and monitors the operation of the Council's Constitution
- The Chief Executive, Executive Directors and Corporate Management Team monitoring the risks and the associated controls assigned to them
- The Chief Financial Officer providing the Council and the Management team, with financial reports and financial advice covering the whole range of Council Activities
- Reviews by external agencies such as the Council's external auditor
- A review of the system of assurances/internal controls
- The Council's Standards and Audit Committee receives reports on the work of internal audit, including the annual report by the Internal Audit Consortium manager.
- The annual review of the Local Code of Corporate Governance is reported to both the Standards and Audit Committee and the Council's Cabinet.
- The Cabinet receives and considers reports on the outcome of reviews by the external auditor and other review agencies.

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

- Chesterfield was the first town to declare itself an "Apprentice Town" and there are now over 3500 apprentices learning and earning in Chesterfield.
- The Saltergate multi story car park opened in July 2019.
- The new 3G pitch opened at Queens Park Sports Centre in September 2019.

- 16 council houses are on target to be built or procured by the end of 2019/20. This includes 10 new properties at Heaton Court and 2 at Houldsworth drive plus 2 acquisitions.
- Avant Homes have commenced working on new residential properties at Waterside to construct 177 new homes.
- Excellent progress has been made on the improvement programme at Grangewood estate which includes extensive refurbishment of 5 residential blocks containing 150 flats and environmental improvements for the state.
- In terms of IT, procurement of the Council's digital platform is complete and development of the new solution is underway. By year end customers will be able to access a secure customer portal to obtain personalised information and request council services online.
- The Coroners office moved into the town hall in January 2020 providing an income source to the council.
- A climate change emergency has been declared and the council have set up a working group to explore how the council and the borough can work towards becoming carbon neutral. A fully costed action plan has now been developed.

### **Internal Audit Opinion 2019/20**

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

In my opinion reasonable assurance can be provided on the overall adequacy and effectiveness of the council's framework for governance, risk management and control for the year ended 2019/20. However, the exception to this is in respect of procurement policies and procedures for which an inadequate assurance internal audit report has been issued. In this area governance, risk management and control arrangements were not operating effectively. A number of recommendations have been made to reduce the risk to the organisation and improve the arrangements in place.

Assurance can never be absolute. In this context "reasonable assurance" means that arrangements are in place to manage key risks and to meet good governance principles, but there are some areas where improvements are required.

Overall, 25 /28 (89%) of the areas audited received Substantial or Reasonable Assurance demonstrating that there are effective systems of governance, risk management and control in place.

### **A Review of 2018/19 Governance Issues**

A mid - year review of progress against the 2018/19 AGS action plan was undertaken by the Corporate Management team and was reported to the Standards and Audit Committee. The action plan identified 6 areas for improvement. Positive progress has been made in every area. Where further action / monitoring is required these areas have been carried forward to the 2019/20 AGS action plan which will be delivered through the 2020/21 municipal year.

### Significant governance issues

Whilst there are many areas of the Governance Framework that are operating satisfactorily, the work of internal audit and discussions with the Corporate Management Team has identified that there are some areas where action can be taken to improve the governance arrangements in place.

The following areas for improvement and focussed risk management have been identified:

No.	Issue Identified	Action to address
1.	Budget – many budget risks continue from previous years: - <ul style="list-style-type: none"> <li>• Business rate appeals</li> <li>• ICT savings not being delivered</li> <li>• The outcome of the Governments Fair Funding and changes to business rate funding is still not clear</li> <li>• Staffing cost pressures</li> <li>• Escalating energy prices and general cost inflation</li> <li>• Achieving income targets for rents, fees, charges and interest</li> <li>• Delivering required budget savings</li> <li>• Additional costs, unachieved savings targets and income reduction in terms of COVID-19 that may not be fully reimbursed by central government</li> </ul>	Need to continue to closely manage the Medium Term Financial Plan to ensure that the Council remains of sound financial standing, and to support decisions on the alignment of budgets to enable delivery of the Council’s corporate plan. This will be achieved through the established mechanisms for financial planning and reporting: <ul style="list-style-type: none"> <li>• Finance and Performance Board</li> <li>• Corporate Cabinet and CMT workshops</li> <li>• Monthly budget monitoring reports to service managers</li> <li>• Quarterly budget monitoring reports to the Council, Cabinet and Scrutiny Forum</li> <li>• Regular dialogue with the trade unions</li> <li>• Due to COVID -19 an additional full budget review in June 2020 to identify savings / non essential areas of spend, income opportunities</li> <li>• Looking at how to increase the income levels of services such as venues and leisure centres</li> </ul>

		<p>An action plan to balance deficits from 2021/22 was presented to Cabinet and Council in February 20. Each element of this action plan must be delivered during the next 12 months to ensure a balanced medium term forecast over the full 5 years of the MTFP.</p>
2	<p>Non Housing Property Repairs – Contributions to the property repairs fund by the council's properties such as the town hall do not match the maintenance plans that have been drawn up. Future property repairs anticipated spend is unlikely to be covered by existing budgets. Large major items (lifts etc.) don't form part of the current contributions as they are funded from capital.</p>	<p>The Council's Asset Management Group are reviewing the whole of Non – Housing property repairs to ascertain the complete picture for future maintenance plans and repairs budget requirements.</p> <p>As the costs become clearer decisions will be required to rationalise poor quality assets, increase contribution to the property repairs fund or to borrow for major capital repairs. Options for funding of the works will be required and progressed through the appropriate governance structure.</p> <p>This work is being taken forward as a priority and the target for a report being prepared is by September 2020 which will contain recommendations for consideration by stakeholders. This is however; dependant on Officer availability to complete this work due to the demands on resources as a result of the COVID 19 virus.</p>
3	<p>Workforce Capacity and capability – Ongoing budget challenges and service demands mean that the Council will need continue to manage workforce capacity and capability.</p> <p>There is still a capacity issue at SLT/CMT level although there are interim arrangements in place to cover vacant posts. The impact of COVID 19 will have</p>	<p>The people plan 2019 – 23 will start to be implemented, this aims to develop great leaders, manage change well, develop capacity and skills, support employee wellbeing and promote recognition and reward.</p> <p>The Corporate Management Team structure review will be completed.</p> <p>Vacancy control processes will continue to be followed ensuring that service demands</p>

	<p>further exacerbated this situation and some projects may need to be deferred.</p>	<p>can be met whilst managing budget. This will be managed together with a renewed Voluntary Redundancy Programme, as set out in the savings action plan.</p> <p>The timescales of projects will be reviewed and adjusted accordingly</p>
4	<p>Project and programme management / decision making / governance processes.</p> <p>As the Councils ambitions have developed and increasing numbers of projects have been started, governance arrangements to ensure effective project management have not been implemented consistently across the Council.</p>	<p>A Corporate Project Management Framework has been produced and approved through the appropriate governance arrangements.</p> <p>The Framework provides strategic direction, processes, governance and tools to support the corporate development and management of projects across the Council.</p> <p>The Corporate Project Management Framework will be implemented and go live from August 2020</p>
5	<p>Procurement – work has been undertaken to improve the procedures and processes in place however an inadequate internal audit report has recently been issued for the following main reasons:-</p> <ul style="list-style-type: none"> <li>• There is a contracts register in place but this is not up to date or fully accurate.</li> <li>• The procurement plan is not comprehensive.</li> <li>• The agreement with the NHS is due to end at the end of September 2020 and a procurement exercise needs to take place</li> <li>• Some historic contracts still exist.</li> </ul>	<p>The format of the contracts register will be reviewed and the register will be brought up to date.</p> <p>The contracts register will be used to produce a comprehensive procurement plan.</p> <p>The contract with the NHS procurement team has been extended to allow for the retendering of the procurement service.</p> <p>Liaison will continue with service teams to identify any supply that is not compliant and remedial action will be taken. Mandatory training requirements will be</p>

	<ul style="list-style-type: none"> <li>• Training modules have been developed but very few staff have completed these.</li> <li>• A draft strategy has been written but has not yet been approved or adopted.</li> </ul>	<p>finalised and rolled out.</p> <p>A procurement strategy will be adopted.</p>
	<p>COVID-19 - The challenge to the Council was how to continue to provide essential services to residents. The Council's Business Continuity Plan was utilised to focus efforts on the highest prioritised areas. Staff were enabled to work from home and redeployed where possible to help provide essential services. Urgent changes were made to the Council's delegation scheme to enable decisions when physical meetings became impossible, and then to allow remote meetings to take place and legal decisions to be made. In due course a safe transition back to physical meetings will be managed. Another challenge moving forward will be the safe re-opening of services such as car parks, leisure centres and the venues. These include the health and safety of staff and customers.</p>	<p>Whilst every indication is that the implementation of the Council's business continuity plans was successful, a full exercise will be undertaken by the Corporate Management Team to identify any lessons learnt that can be implemented in the future.</p> <p>The Council's budgets will need to be revisited as not only has there been an increase in expenditure but also a substantial loss of income.</p> <p>Risk assessments will be undertaken in line with government guidelines.</p>

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Cabinet and the Standards and Audit Committee, and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas identified for improvement form part of the 2019/20 Annual Governance Statement action plan.

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

**Signed:**

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H Bowen  
Chief Executive

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Councillor T Gilby  
Leader of Chesterfield Borough  
Council

**Date:**

**On behalf of Chesterfield Borough**



**CHESTERFIELD BOROUGH COUNCIL – ANNUAL GOVERNANCE STATEMENT 2019/20 ACTION PLAN**

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
1 Page 113	<p>Budget – many budget risks continue from previous years: -</p> <ul style="list-style-type: none"> <li>• Business rate appeals</li> <li>• ICT savings not being delivered</li> <li>• The outcome of the Governments Fair Funding and changes to business rate funding is still not clear</li> <li>• Staffing cost pressures</li> <li>• Escalating energy prices and general cost inflation</li> <li>• Achieving income targets for rents, fees, charges and interest</li> <li>• Delivering required budget savings</li> <li>• Additional costs, unachieved savings targets and income reduction in terms of COVID-19 that</li> </ul>	<p>Need to continue to closely manage the Medium Term Financial Plan to ensure that the Council remains of sound financial standing, and to support decisions on the alignment of budgets to enable delivery of the Council’s corporate plan.</p> <p>This will be achieved through the established mechanisms for financial planning and reporting:</p> <ul style="list-style-type: none"> <li>• Finance and Performance Board</li> <li>• Corporate Cabinet and CMT workshops</li> <li>• Monthly budget monitoring reports to service managers</li> <li>• Quarterly budget monitoring reports to the Council, Cabinet and Scrutiny Forum</li> <li>• Regular dialogue with the trade unions</li> <li>• Due to COVID -19 an additional full budget review in June 2020 to</li> </ul>	End March 2021 / monthly monitoring	Acting Chief Finance Officer	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
Page 112	<p>may not be fully reimbursed by central government</p> <ul style="list-style-type: none"> <li>•</li> </ul>	<p>identify savings / non essential areas of spend, income opportunities</p> <ul style="list-style-type: none"> <li>• Looking at how to increase the income levels of services such as venues and leisure centres</li> </ul> <p>An action plan to balance deficits from 2021/22 was presented to Cabinet and Council in February 2020. Each element of this action plan must be delivered during the next 12 months to ensure a balanced medium term forecast over the full 5 years of the MTFP.</p> <ul style="list-style-type: none"> <li>•</li> </ul>					
	<p>Non Housing Property Repairs – Contributions to the property repairs fund by the council’s properties such as the town hall do not match the maintenance plans that have been drawn up. Future property repairs anticipated spend is unlikely to be covered by existing budgets.</p>	<p>The Council’s Asset Management Group are reviewing the whole of Non – Housing property repairs to ascertain the complete picture for future maintenance plans and repairs budget requirements.</p> <p>As the costs become clearer decisions will be required to rationalise poor</p>	September 2020	Executive Director	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
Page 115	Large major items (lifts etc.) don't form part of the current contributions as they are funded from capital.	quality assets, increase contribution to the property repairs fund or to borrow for major capital repairs. Options for funding of the works will be required and progressed through the appropriate governance structure.					
		This work is being taken forward as a priority and the target for a report being prepared is by September 2020, which will contain recommendations for consideration by stakeholders. This is however; dependant on Officer availability to complete this work due to the demands on resources as a result of the COVID 19 virus.	September 2020				
3	Workforce Capacity and capability – Ongoing budget challenges and service demands mean that the Council will need continue to manage workforce capacity and capability.	The people plan 2019 – 23 will start to be implemented, this aims to develop great leaders, manage change well, develop capacity and skills, support employee wellbeing and promote recognition and reward.	End March 2021	Chief Executive, CMT	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
Page 116	<p>There is still a capacity issue at SLT/CMT level although there are interim arrangements in place to cover vacant posts.</p> <p>The impact of COVID 19 will have further exacerbated this situation and some projects may need to be deferred.</p>	<p>The Corporate Management Team structure review will be completed.</p>	Autumn 2020				
		<p>Vacancy control processes will continue to be followed ensuring that service demands can be met whilst managing budget. This will be managed together with a renewed Voluntary Redundancy Programme, as set out in the savings action plan.</p> <p>The timescales of projects will be reviewed and adjusted accordingly</p>	Complete				
4	<p>ICT – The ICT improvement plan is in the process of implementation. Until completion there is still the risk that the Council’s IT systems are not fully fit for purpose or that savings identified will not be achieved.</p>	<p>Progress against the improvement plan and savings achieved will continue to be monitored on a regular basis.</p>	Monitoring on a quarterly basis	Assistant Director – Customers, Commissioning and Change	M		√

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
5	Health and Safety – Good progress has been made on the recovery plan however capacity issues remain that need addressing to ensure that a comprehensive corporate function is provided.	<p>A resource proposal is being developed that will enable an enhanced corporate health and safety service within CBC.</p> <p>Good practice will become more embedded and a mature culture developed.</p>	December 2020	Assistant Director – Health and Wellbeing	M		√
Page 177	<p>Procurement – work has been undertaken to improve the procedures and processes in place however an inadequate internal audit report has recently been issued for the following main reasons:-</p> <ul style="list-style-type: none"> <li>• There is a contracts register in place but this is not up to date or fully accurate.</li> <li>• The procurement plan is not comprehensive.</li> </ul>	<p>The format of the contracts register will be reviewed and the register will be brought up to date.</p> <p>The contracts register will be used to produce a comprehensive procurement plan.</p>	<p>March 2021</p> <p>March 2021</p>	Assistant Director – Customers, Commissioning and Change	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
Page 118	<ul style="list-style-type: none"> <li>The agreement with the NHS is due to end at the end of September 2020 and a procurement exercise needs to take place</li> <li>Some historic contracts still exist.</li> <li>Training modules have been developed but very few staff have completed these.</li> <li>A draft strategy has been written but has not yet been approved or adopted.</li> </ul>	The contract with the NHS procurement team has been extended to allow for the retendering of the procurement service.					
		Liaison will continue with service teams to identify any supply that is not compliant and remedial action will be taken. Mandatory training requirements will be finalised and rolled out.	Ongoing				
		A procurement strategy will be adopted.	March 2021				
7	<p>Project and programme management / decision making / governance processes.</p> <p>As the Councils ambitions have developed and increasing</p>	<p>A Corporate Project Management Framework has been produced and approved through the appropriate governance arrangements.</p> <p>The Framework provides strategic</p>	Complete	CMT	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
Page 119	numbers of projects have been started, governance arrangements to ensure effective project management have not been implemented consistently across the Council.	direction, processes, governance and tools to support the corporate development and management of projects across the Council.  The Corporate Project Management Framework will be implemented and go live from August 2020	August 2020				
	COVID-19 - Coronavirus was categorised as a pandemic by the World Health Organisation on 11 March 2020. The challenge to the Council was how to continue to provide essential services to residents. The Council's Business Continuity Plan was utilised to focus efforts on the highest prioritised areas. Staff were enabled to work from home and redeployed where possible to help provide essential services. Urgent changes were made to	Whilst every indication is that the implementation of the Council's business continuity plans was successful, a full exercise will be undertaken to identify any lessons learnt that can be implemented in the future.  The Council's budgets will need to be revisited as not only has there been an increase in expenditure but also a substantial loss of income.	March 2021	CMT	H	√	

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
	<p>the Council's delegation scheme to enable decisions to be made when physical meetings were not possible and then for meetings and decisions to be made remotely.</p> <p>Another challenge moving forward will be the safe re-opening of services such as car parks, leisure centres and the venues. These include the health and safety of staff and customers.</p>	<p>Risk assessments will be undertaken in line with government guidelines.</p>					



## LOCAL GOVERNMENT ASSOCIATION DRAFT MODEL MEMBERS CODE OF CONDUCT

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**MEETING:** (1) **STANDARDS AND AUDIT COMMITTEE**  
(2) **CABINET MEMBER FOR FINANCE AND GOVERNANCE**

**DATE:** (1) **22<sup>ND</sup> JULY 2020**  
(2) **tbc**

**REPORT BY:** **MONITORING OFFICER**

**WARD:** **ALL**

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FOR PUBLICATION

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### **1.0 PURPOSE OF REPORT**

1.1 To inform members of the Local Government Association (LGA) draft model code of conduct for members and to seek any initial comments on the proposals.

### **2.0 RECOMMENDATION**

2.1 That members of the committee consider and comment on the draft LGA model code.

### **3.0 BACKGROUND**

3.1 The current standards system has been in place since changes were introduced by the coalition government in the Localism Act 2011. While simplifying the members' ethical standards system, dispensing with much bureaucracy, and closing the national body overseeing standards (Standards for England), after several years of operation there is a growing belief that the current system lacks teeth and consistency. All local authorities must have a

code of conduct which must be followed by its councilors and procedures for dealing with alleged breaches.

- 3.2 Various reports were submitted to this committee during 2019 considering and enabling best practice changes to this Council's ethical procedures in response to the Committee on Standards in Public Life report, published late January 2019<sup>1</sup>.
- 3.3 One of the CSPL report recommendations was that the LGA draft a new model code. The consultation draft was published in May and a copy is attached at Appendix 1. Some of the CSPL recommendations required legislation. The government has yet to bring forward any proposals in response.

#### **4.0 DRAFT LGA MODEL CODE**

- 4.1 No changes were made to the Council's members code of conduct in response to the CSPL report, pending the LGA's proposals.
- 4.2 The draft code is contained in an explanatory document, which makes the proposals easier to understand. In many ways the drafting is similar to the Council's current code and contains some familiar wording<sup>2</sup>.
- 4.3 However, the document explains that it contains the minimum requirements of member conduct. Particular points to note include:
  - Some provisions (in square brackets) are those requiring further consideration in the consultation and government action.
  - Notable is the use of the word "civility" which appears to be used instead of "respect".
  - Specific provisions address bullying and harassment
  - Explanatory notes make the code easier to understand
  - There are also suggestions for an adoptable resolution procedure and escalation process, with sanctions.
  - It provides for an annual review by the LGA.
- 4.4 The consultation on the draft code runs until 17<sup>th</sup> August<sup>3</sup> and various monitoring officer and governance seminars are being held to explain and considers the changes in the interim.

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<sup>1</sup> <https://www.gov.uk/government/collections/local-government-ethical-standards>

<sup>2</sup> <https://www.chesterfield.gov.uk/media/144612/council-members-code-of-conduct-2012.pdf>

<sup>3</sup> <https://www.local.gov.uk/code-conduct-consultation-2020>

4.5 A further report will be submitted in due course once the model code is finalised, so the committee and full council can consider adoption.

## **5.0 CONCLUSIONS**

5.1 Members are asked to note the draft LGA model code of conduct and comment on the proposals.

## **6.0 RECOMMENDATION**

6.1 That members of the committee consider and comment on the draft LGA model code.

## **7.0 REASON FOR RECOMMENDATION**

7.1 To enable members to consider the draft LGA model code of conduct.

GERARD ROGERS  
MONITORING OFFICER

Further information from Gerard Rogers, Monitoring Officer and Regulatory & Local Government Law Manager, Legal Services - Tel 345310 or [gerard.rogers@chesterfield.gov.uk](mailto:gerard.rogers@chesterfield.gov.uk)

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# Local Government Association Model Member Code of Conduct

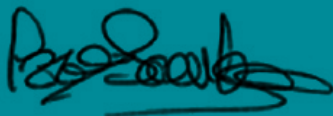
# Introduction

The Local Government Association (LGA) is providing this Model Member Code of Conduct as part of its work on supporting the sector to continue to aspire to high standards of leadership and performance.

The role of councillor in all tiers of local government is a vital part of our country's system of democracy. In voting for a local councillor, the public is imbuing that person and position with their trust. As such, it is important that as councillors we can be held accountable and all adopt the behaviours and responsibilities associated with the role. The conduct of an individual councillor affects the reputation of all councillors. We want the role of councillor to be one that people aspire to and want to participate with. We want to continue to attract individuals from a range of backgrounds and circumstances who understand the responsibility they take on and are motivated to make a positive difference to their local communities.

All councils are required to have a local Member Code of Conduct. This Model Member Code of Conduct has been developed in consultation with the sector and is offered as a template for councils to adopt in whole and/or with local amendments. The LGA will undertake an annual review of the Code to ensure it continues to be fit-for-purpose, particularly with respect to advances in technology, social media and any relevant changes in legislation. The LGA can also offer support, training and mediation to councils and councillors on the application of the Code, whilst the National Association of Local Councils (NALC) and the county associations of local councils can offer advice and support to town and parish councils.

As a councillor we all represent local residents, work to develop better services and deliver local change. The public have high expectations of us and entrust us to represent everyone (in our ward/town/parish), taking decisions fairly, openly, transparently and with civility. Councillors should also be treated with civility by members of the public, other councillors and council employees. Members have both individual and collective responsibility to maintain these standards, support expected behaviour and challenge behaviour which falls below expectations. This Code, therefore, has been designed to protect our democratic role, encourage good conduct and safeguard the public's trust in local government.



**Councillor Izzi Seccombe OBE**  
Leader, LGA Conservative Group



**Councillor Nick Forbes CBE**  
Leader, LGA Labour Group



**Councillor Howard Sykes MBE**  
Leader, LGA Liberal Democrats Group



**Councillor Marianne Overton MBE**  
Leader, LGA independent Group

## Purpose

The purpose of this Code of Conduct is to assist councillors in modelling the behaviour that is expected of them, to provide a personal check and balance, and to set out the type of conduct against which appropriate action may be taken. It is also to protect yourself, the public, fellow councillors, council officers and the reputation of local government. It sets out the conduct expected of all members and a minimum set of obligations relating to conduct. The overarching aim is to create and maintain public confidence in the role of member and local government.

## Application of the Code

The Code of Conduct applies to you when you are acting [or claiming or giving the impression that you are acting]<sup>1</sup> in [public or in]<sup>2</sup> your capacity as a member or representative of your council, although you are expected to uphold high standards of conduct and show leadership at all times. The Code applies to all forms of member communication and interaction, including written, verbal, non-verbal, electronic and via social media, [including where you could be deemed to be representing your council or if there are potential implications for the council's reputation.] Model conduct and expectations is for guidance only, whereas the specific obligations set out instances where action will be taken.

## The seven principles of public life

Everyone in public office at all levels – ministers, civil servants, members, council officers – all who serve the public or deliver public services should uphold the seven principles of public life. This Code has been developed in line with these seven principles of public life, which are set out in appendix A.

## Model member conduct

In accordance with the public trust placed in me, on all occasions I will:

- act with integrity and honesty
- act lawfully
- treat all persons with civility; and
- lead by example and act in a way that secures public confidence in the office of councillor

In undertaking my role, I will:

- impartially exercise my responsibilities in the interests of the local community
- not improperly seek to confer an advantage, or disadvantage, on any person
- avoid conflicts of interest
- exercise reasonable care and diligence; and
- ensure that public resources are used prudently and in the public interest

## Specific obligations of general conduct

This section sets out the minimum requirements of member conduct. Guidance is included to help explain the reasons for the obligations and how they should be followed. These obligations must be observed in all situations where you act [or claim or give the impression that you are acting] as a councillor [or in public], including representing your council on official business and when using social media.

**As a councillor I commit to:**

## Civility

- 1. Treating other councillors and members of the public with civility.**
- 2. Treating council employees, employees and representatives of partner organisations and those volunteering for the councils with civility and respecting the role that they play.**

Civility means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a civil manner. You should not subject individuals, groups of people or organisations to unreasonable or excessive personal attack.

In your contact with the public you should treat them courteously. Rude and offensive behaviour lowers the public's expectations and confidence in its elected representatives.

In return you have a right to expect courtesy from the public. If members of the public are being abusive, threatening or intimidatory you are entitled to close down any conversation in person or online, refer them to the council, any social media provider or if necessary, the police. This also applies to members, where action could then be taken under the Member Code of Conduct.

## Bullying and harassment

- 3. Not bullying or harassing any person.**

Bullying may be characterised as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. The bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and not always be obvious or noticed by others.

The Equality Act 2010 defines harassment as 'unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual'. The relevant protected characteristics are age, disability, gender reassignment, race, religion or belief, sex, and sexual orientation.

## Impartiality of officers of the council

- 4. Not compromising, or attempting to compromise, the impartiality of anyone who works for, or on behalf of, the council.**

Officers work for the council as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. Although you can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

## Confidentiality and access to information

- 5. Not disclosing information given to me in confidence or disclosing information acquired by me which I believe is of a confidential nature, unless I have received the consent of a person authorised to give it or I am required by law to do so.**
- 6. Not preventing anyone getting information that they are entitled to by law.**

Local authorities must work openly and transparently, and their proceedings and



printed materials are open to the public except in certain circumstances. You should work on this basis but there will be times when it is required by law that discussions, documents and other information relating to or held by the council are treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

## Disrepute

### **7. Not bringing my role or council into disrepute.**

Behaviour that is considered dishonest and/or deceitful can bring your council into disrepute. As a member you have been entrusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on other councillors and/or your council.

## Your position

### **8. Not using, or attempting to use, my position improperly to the advantage or disadvantage of myself or anyone else.**

Your position as a member of the council provides you with certain opportunities, responsibilities and privileges. However, you should not take advantage of these opportunities to further private interests.

## Use of council resources and facilities

### **9. Not misusing council resources.**

You may be provided with resources and facilities by the council to assist you in carrying out your duties as a councillor. Examples include office support, stationery and equipment such as phones, and computers and transport. These are given

to you to help you carry out your role as a councillor more effectively and not to benefit you personally.

## Interests

### **10. Registering and declaring my interests.**

You need to register your interests so that the public, council employees and fellow members know which of your interests might give rise to a conflict of interest. The register is a document that can be consulted when (or before) an issue arises, and so allows others to know what interests you have, and whether they might give rise to a possible conflict of interest. The register also protects you. You are responsible for deciding whether or not you should declare an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise.

It is also important that the public know about any interest that might have to be declared by you or other members, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained. Discuss the registering and declaration of interests with your Monitoring Officer/Town or Parish Clerk and more detail is set out in appendix B.

## Gifts and hospitality

### **11. Not accepting significant gifts or hospitality from persons seeking to acquire, develop or do business with the council or from persons who may apply to the council for any permission, licence or other significant advantage.**

### **12. Registering with the monitoring officer any gift or hospitality with an estimated value of at least £25 within 28 days of its receipt.**

You should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you

because you are a member. However, you do not need to register gifts and hospitality which are not related to your role as a member, such as Christmas gifts from your friends and family, or gifts which you do not accept. However, you may wish to notify your monitoring officer of any significant gifts you are offered but refuse which you think may have been offered to influence you.

Note – items in square brackets [x] refer to recommendations made by the Committee on Standards in Public Life and may be part of a future Government consultation. This includes possible future sanctions and appeals processes.

## Breaches of the Code of Conduct

Most councillors conduct themselves appropriately and in accordance with these standards. Members have both individual and collective responsibility to maintain these standards, support expected behaviour and challenge behaviour which falls below expectations.

Section 27 of the Localism Act 2011 requires relevant authorities to promote and maintain high standards of conduct by members and co-opted members of the authority. Each local authority must publish a code of conduct, and it must cover the registration of pecuniary interests, the role of an 'independent person', and sanctions to be imposed on any councillors who breach the Code.

The 2011 Act also requires local authorities to have mechanisms in place to investigate allegations that a member has not complied with the Code of Conduct, and arrangements under which decisions on allegation may be made.

Failure to comply with the requirements to register or declare disclosable pecuniary interests is a criminal offence. Taking part in a meeting or voting, when prevented from doing so by a conflict caused by disclosable pecuniary interests, is also a criminal offence.

Political parties may have its own internal standards and resolution procedures in addition to the Member Code of Conduct that members should be aware of.

# Example

## LGA guidance and recommendations

### Internal resolution procedure

Councils must have in place an internal resolution procedure to address conduct that is in breach of the Member Code of Conduct. The internal resolution process should make it clear how allegations of breaches of the Code of Conduct are to be handled, including the role of an Independent Person, the appeals process and can also include a local standards committee. The internal resolution procedure should be proportionate, allow for members to appeal allegations and decisions, and allow for an escalating scale of intervention. The procedure should be voted on by the council as a whole.

In the case of a non-criminal breach of the Code, the following escalating approach can be undertaken.

If the breach is confirmed and of a serious nature, action can be automatically escalated.

1. an informal discussion with the monitoring officer or appropriate senior officer
2. an informal opportunity to speak with the affected party/ies
3. a written apology
4. mediation
5. peer support
6. requirement to attend relevant training
7. where of a serious nature, a bar on chairing advisory or special committees for up to two months
8. where of a serious nature, a bar on attending committees for up to two months.

Where serious misconduct affects an employee, a member may be barred from contact with that individual; or if it relates to a specific responsibility of the council, barred from participating in decisions or information relating to that responsibility.

## Endnotes

1. CSPL recommend that “Section 27(2) of the Localism Act 2011 should be amended to state that a local authority’s code of conduct applies to a member when they claim to act, or give the impression they are acting, in their capacity as a member or as a representative of the local authority”.
2. CSPL recommend that “councillors should be presumed to be acting in an official capacity in their public conduct, including statements on publicly accessible social media. Section 27(2) of the Localism Act 2011 should be amended to permit local authorities to presume so when deciding upon code of conduct breaches.”
3. Subject to footnotes 1 and 2 above
4. See CSPL website for further details [www.gov.uk/government/news/the-principles-of-public-life-25-years](http://www.gov.uk/government/news/the-principles-of-public-life-25-years)
5. ACAS’s definition of bullying

# Appendices

## Code Appendix A

The principles are :

### **Selflessness**

Holders of public office should act solely in terms of the public interest.

### **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

### **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

### **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

### **Honesty**

Holders of public office should be truthful.

### **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

## Code Appendix B

### **Registering interests**

1. Within 28 days of this Code of Conduct being adopted by the council or your election or appointment to office (where that is later) you must register with the Monitoring Officer the interests which fall within the categories set out in Table 1 (Disclosable Pecuniary Interests) and Table 2 (Other Registerable Interests).
2. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest in Table 1 or 2, or of any change to a registered interest, notify the Monitoring Officer.

### **Declaring interests**

3. Where a matter arises at a meeting which directly relates to an interest in Table 1, you must declare the interest, not participate in any discussion or vote on the matter and must not remain in the room unless granted a dispensation. If it is a 'sensitive interest', you do not have to declare the nature of the interest.
4. Where a matter arises at a meeting which directly relates to an interest in Table 2, you must declare the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to declare the nature of the interest.

5. Where a matter arises at a meeting which directly relates to your financial interest or well-being (and is not a Disclosable Pecuniary Interest) or a financial interest or well-being of a relative or close associate, you must declare the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to declare the nature of the interest.
6. Where a matter arises at a meeting which affects –
  - a. your own financial interest or well-being;
  - b. a financial interest or well-being of a friend, relative, close associate; or
  - c. a body covered by table 1 below

you must disclose the interest.

7. Where the matter affects the financial interest or well-being to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest you must declare the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to declare the nature of the interest.

**Table 1: Disclosable Pecuniary Interests**

Subject	Description
<b>Employment, office, trade, profession or vocation</b>	Any employment, office, trade, profession or vocation carried on for profit or gain.  [Any unpaid directorship.]
<b>Sponsorship</b>	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses.  This includes any payment or financial benefit from a trade union within the meaning of the <b>Trade Union and Labour Relations (Consolidation) Act 1992</b> .
<b>Contracts</b>	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council —  (a) under which goods or services are to be provided or works are to be executed; and  (b) which has not been fully discharged.
<b>Land and Property</b>	Any beneficial interest in land which is within the area of the council.  ‘Land’ excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (alone or jointly with another) a right to occupy or to receive income.
<b>Licences</b>	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer.
<b>Corporate tenancies</b>	Any tenancy where (to the councillor’s knowledge)—  (a) the landlord is the council; and  (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
<b>Securities</b>	Any beneficial interest in securities* of a body where—  (a) that body (to the councillor’s knowledge) has a place of business or land in the area of the council; and  (b) either—  (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or  (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

\*'director' includes a member of the committee of management of an industrial and provident society.

\*'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

**Table 2: Other Registerable Interests**

Any Body of which you are a member or in a position of general control or management and to which you are appointed or nominated by the council;	
Any Body—	(a) exercising functions of a public nature;
	(b) directed to charitable purposes; or
	(c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union)
of which you are a member or in a position of general control or management.	







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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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