



Please ask for Rachel Appleyard
Direct Line: 01246 34 5277
Email democratic.services@chesterfield.gov.uk

The Chair and Members of Standards
and Audit Committee

12 April 2022

Dear Councillor,

Please attend a meeting of the STANDARDS AND AUDIT COMMITTEE to be held on WEDNESDAY, 20 APRIL 2022 at 2.00 pm in Committee Room 1, Town Hall, Rose Hill, Chesterfield, the agenda for which is set out below.

AGENDA

Part 1(Public Information)

1. Declarations of Members' and Officers' Interests relating to Items on the Agenda
2. Apologies for Absence
3. Minutes (Pages 3 - 10)
4. 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 3 of Part 1 of Schedule 12A of the Act".

Part 2 (Non Public Information)

5. Update on QPSC and Markets Internal Audit Recommendations (Pages 11 - 18)

6. Progress update on the 2021/22 Internal Audit Plan (Pages 19 - 42)
7. Local Government Act 1972 - Re-admission of the Public
8. Chesterfield Borough Council Internal Audit Plan 2022/23 (Pages 43 - 54)
9. Review of the Code of Corporate Governance and the 2021/22 Annual Governance Statement (Pages 55 - 92)
10. Delegation Scheme and Constitution (Pages 93 - 98)
11. Standards and Audit Committee Work Programme 2022/23 (Pages 99 - 102)

Yours sincerely,

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

Head of Regulatory Law and Monitoring Officer

STANDARDS AND AUDIT COMMITTEE**Wednesday, 16th February, 2022**

Present:-

Councillor Caulfield (Chair)

Councillors Rayner
Brady
KellmanCouncillors T Murphy
Snowdon

*Matters dealt with under the Delegation Scheme

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

No declarations of interest were received.

31 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Cawthorne.

32 MINUTES**RESOLVED –**

That the Minutes of the meeting of the Standards and Audit Committee held on 24 November, 2021 be approved as a correct record and be signed by the Chair.

33 RISK MANAGEMENT STRATEGY AND STRATEGY RISK REGISTER

The Service Director – Corporate presented a report on risk management activities during 2021/22 and introduced the revised Risk Management Strategy and Strategic Risk Register for 2022/23 for consideration.

Following the Corporate Leadership Team restructure, the responsibility for Corporate Risk Management had transitioned into the Corporate Directorate and a number of changes had taken place which were detailed in paragraph 4.1 of the officer's report.

The Risk Management Strategy 2022/23, attached at Appendix 1 of the officer's report, would establish a framework for the effective and systematic management of risk, ensuring that risk management was embedded throughout the council. The strategy sought to ensure consistency across the council when managing risks and clearly defined the roles and responsibilities including the Corporate Risk Management Group (CRMG) who develop and implement the Risk Management Strategy and are accountable to the Corporate Leadership Team.

The CRMG had reviewed the Council's Strategic Risk Register utilising a variety of information, data and techniques. Both the Risk Register and the Risk Register Summary were attached at Appendix 2 and 3 of the officer's report and would be live documents, reviewed quarterly by the CRMG. A monitoring report would be submitted to this Committee twice each year.

***RESOLVED –**

1. That the progress made on developing the Council's approach to risk management during 2021/22 be noted.
2. That the Risk Management Strategy 2022/23 and Strategic Risk Register base document for 2022/23 be recommended to Full Council for approval.

34 TREASURY MANAGEMENT STRATEGY 2021-22 (INCLUDING INVESTMENT AND CAPITAL STRATEGY)

The Group Financial Accountant presented the Treasury Management Strategy Statement for 2022/23, the Capital Strategy and Investment Strategy reports for 2022/23 and the Minimum Reserve Provision (MRP) Policy for 2022/23, attached at Appendices A to D of the officer's report.

The report noted the CIPFA Code of Practice for Treasury Management in the Public Services and statutory government guidance which placed duties on the council with regard to the council's Treasury Management and Investment Strategies.

***RESOLVED –**

That it be recommended to Full Council that:

1. The Treasury Management Strategy Statement 2022/23, attached at Appendix A of the officer's report, be approved.
2. The Capital Strategy Report 2022/23, including the Prudential Code Indicators, attached at Appendix B of the officer's report, be approved.
3. The Investment Strategy Report 2022/23, attached at Appendix C of the officer's report, be approved.
4. The Minimum Revenue Provision Policy 2022/23, attached at Appendix D of the officer's report, be approved.

35 PROCUREMENT OF EXTERNAL AUDITORS

The Service Director – Finance presented a report on the method of procurement for the external audit service to cover the five consecutive financial years from 1 April, 2023.

The report explained that local bodies could either arrange their own procurement and make the appointment themselves or use the national collective scheme managed by Public Sector Audit Appointments Ltd. The advantages and disadvantages of both options were outlined in section 4.2 of the officer's report.

Due to the current challenging marketing conditions and availability of appropriately qualified auditors, it was recommended that option two, the national scheme, was the preferred method of procurement on the basis that it was the most efficient way to appoint the external auditor and was likely to achieve the most competitive price.

***RESOLVED –**

That it be recommended to Full Council that the Council opts into the appointing person arrangements made by Public Sector Audit Appointments Ltd for the procurement and appointment of external auditors.

36 EXTERNAL AUDIT PROGRESS REPORT

The Council's external auditors, Mazars, presented a report updating members on the progress in delivering their responsibilities as external auditors.

The report informed members of the progress in delivering the 2020/21 audit and assurance work and the 2021/22 audit planning process.

***RESOLVED –**

That the report be noted.

37 AUDIT STRATEGY MEMORANDUM

The Council's external auditors, Mazars, presented the draft Audit Strategy Memorandum for the year ending 31 March, 2022. The memorandum summarised the audit approach taken by Mazars and highlighted significant audit risks and areas of key judgements.

***RESOLVED –**

That the report be noted.

38 OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS

The Internal Audit Consortium Manager submitted a report summarising the internal audit recommendations that were made, implemented or outstanding. Details of the recommendations along with an update from managers in respect of each outstanding recommendation was attached at Appendix 1 of the officer's report.

Members were advised that the next audit of Procurement would be in the 2022/23 internal audit plan and that it was proposed to bring an update to the Committee following the audit.

***RESOLVED –**

1. That the report be noted.
2. That a further summary of outstanding internal audit recommendations be submitted to the Standards and Audit Committee in September 2022.

3. That an update on Procurement be submitted to the Standards and Audit Committee following the audit as part of the 2022/23 internal audit plan.

39 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC

***RESOLVED –**

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

40 PROGRESS UPDATE ON THE 2021/22 INTERNAL AUDIT PLAN

The Internal Audit Consortium Manager presented a report summarising the internal audit reports issued during the period October 2021 to January 2022 in relation to the 2021/22 internal audit plan.

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

- 'Substantial assurance' – three
- 'Limited assurance' – one

A summary of these reports was provided in Appendix 1 of the officer's report and the limited assurance report (Queen's Park Sports Centre Income) was attached in full at Appendix 3 of the officer's report. The Committee were informed that no fraud had been detected. The Committee requested that the manager of the Queen's Park Sports Centre attend the next meeting.

Members were also informed on the progress against the internal audit plan which was detailed in Appendix 2 of the officer's' report.

***RESOLVED –**

1. That the report be noted.
2. That an officer be invited to attend the next meeting of the Committee to provide an update on the implementation of

recommendations from the audit of Queens Park Sports Centre Income.

41 **ANNUAL REPORT - STANDARDS OF CONDUCT**

The Monitoring Officer presented a report providing members with an overview of the complaints procedure and duties placed on the Council with regard to the conduct of its members along with a summary of the complaints received during 2020 and 2021.

In 2020 there had been 24 complaints and in 2021 there had been 9 complaints. However, 17 of those received in 2020 and 2 of those received in 2021 were either withdrawn, discontinued/not active, not clarified or otherwise considered trivial not warranting assessment, therefore 7 complaints had proceeded to assessment in each year. The outcomes meant that there had been no investigations and no hearings in both years.

The report also informed members of the relevant training and developments during 2020/21 which included the report of the Committee on Standards in Public Life (CSPL) which the Committee considered in 2019. Changes had been made to the Council's procedures following the best practice recommendations in the report, however the government's response to the CSPL report was still due to be published. The report also referred to the LGA Model Code of Conduct, intended to be considered further by the Committee at a future meeting.

The Monitoring Officer provided an overview of the role of the independent person in the complaints process and noted that their input into the assessment of complaints had been valuable in assessment determination.

***RESOLVED –**

That the report be noted.

42 **LOCAL GOVERNMENT ACT 1972 - RE-ADMISSION OF THE PUBLIC**

***RESOLVED –**

That the public be re-admitted to the meeting.

43 **EXTERNAL REVIEW OF INTERNAL AUDIT - ACTION PLAN
PROGRESS**

The Internal Audit Consortium Manager presented a report providing a progress update regarding the implementation of recommendations arising from the external review of internal audit.

Public Sector Internal Audit Standards require that an external assessment be carried out at least once every five years by a qualified independent assessor, this had taken place in May 2021 and the results were reported to this Committee. The recommendations made by the external reviewer were attached at Appendix 1 of the officer's report along with proposed actions and an update on the progress achieved so far.

***RESOLVED –**

That the report be noted.

44 **STANDARDS AND AUDIT COMMITTEE WORK PROGRAMME
2021/22**

The work programme for the Standards and Audit Committee for 2021/22 was considered.

RESOLVED –

That the work programme be noted.

This page is intentionally left blank

Agenda Item 5

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

For publication

Chesterfield Borough Council Internal Audit Plan 2022/23

Meeting:	Standards and Audit Committee
Date:	20 th April 2022
Cabinet portfolio:	Governance
Directorate:	Finance
For publication	

1.0 Purpose of the report

1.1 To present to Members for consideration and agreement the Internal Audit Plan for 2022/23.

2.0 Recommendations

2.1 That the Internal Audit Plan for 2022/23 be agreed.

2.2 That it be noted that the plan is provisional and may need adjusting and prioritising in the light of any emerging risks / staff shortages etc.

3.0 Reason for recommendations

3.1 To comply with the Public Sector Internal Audit Standards and to determine the internal audit work plan for the year.

3.2 To ensure that the annual internal audit opinion can provide assurance in respect of the Council's governance, risk and control arrangements.

4.0 Report details

- 4.1 A key requirement of the Public Sector Internal Audit Standards is that a periodic risk- based plan should be prepared that is sufficiently flexible to reflect the changing risks and priorities of the organisation. The risk- based plan should be fixed for a period of no longer than one year, should outline the assignments to be carried out, their respective priorities and the estimated resources needed.
- 4.2 The plan has been prepared taking into account the following factors: -
- The organisational objectives and priorities
 - Local and national issues and risks
 - The requirement to produce an annual internal audit opinion
 - An update of the internal audit risk assessment exercise
 - The Council’s strategic risk register
 - Consultation with the Corporate Leadership Team
- 4.3 Some reserve audit areas have been included at the end of the plan. Whilst every effort will be made to complete the 2022/23 planned areas first, a list of reserve areas provides more flexibility. At certain times of the year, particularly year end there can be legitimate reasons why an audit is not feasible at a particular time. If the contingency days are not required then these will be utilised on the reserve areas.
- 4.4 An annual report summarising the outcome of the 2021/22 internal audit plan will be presented to this Committee after the year-end. Some of the areas from the 2021/22 plan have been rolled forward to 2022/23.
- 4.5 A summary of the internal audit plan for 2022/23 is shown below and in detail at Appendix 1.

Internal Audit Plan 2022/23

Summary	Audit Days
Main Financial Systems	155
Other Operational Audits	164
Computer / IT Related	37
Fraud and Corruption	8
Corporate / Cross Cutting / Governance	116
Special Investigations & Contingency	35
Apprenticeships / Training	30
Audit Committee / Client Liaison	15
Grand Total	560

- 4.6 Resource availability has been based on the Consortium Business Plan that was approved by the Joint Board on the 29th March 2022. The plan allocates 560 days to Chesterfield Borough Council for 2022/23, this is the same allocation as in 2021/22.
- 4.7 The plan is ambitious and is reliant upon having a full staffing complement and fully trained staff so may not be completed in its entirety. The Senior Auditor at NEDDC has taken a promotion elsewhere and we have been unable to recruit a suitable replacement. Options are currently being considered. The Consortiums resources will be spread evenly amongst the partnership Members to ensure that each get a good proportion of their plans completed.

5 Alternative options

- 5.1 Not Applicable

6 Implications for consideration – Financial and value for money

- 6.1 Financial – The internal audit budget for 2022/23 has been approved by the Joint Board.

7 Implications for consideration – Legal

- 7.1 The core work of internal audit is derived from the statutory responsibility under the Accounts and Audit Regulations 2015 which requires the Council to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account public sector internal auditing standards or guidance”.

8 Implications for consideration – Human resources

- 8.1 None

9 Implications for consideration – Council plan

- 9.1 The internal audit plan is linked to the Council Plan in respect of its aim to provide value for money services and has recognised the Council’s priorities as outlined in the Council Plan.

10 Implications for consideration – Climate change

10.1 Whilst there are not considered to be any direct climate change impacts in relation to this report, sound internal control, governance and risk management arrangements will support the achievement of the Council's objectives.

11 Implications for consideration – Equality and diversity

11.1 None

12 Implications for consideration – Risk management

12.1 The audit plan is designed to provide assurance that the council's significant risks identified as part of the risk assessment process are being managed effectively. If additional risks are identified and / or there are changes to priorities during the year the plan will be reconsidered. Any significant changes to the plan will be reported back to the Standards and Audit Committee for approval.

Decision information

Key decision number	N/A
Wards affected	None

Document information

Report author	
Jenny Williams Head of the Internal Audit Consortium Finance Directorate	
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
Appendices to the report	
Appendix 1	Internal Audit Plan 2022/23

This page is intentionally left blank

Chesterfield Borough Council Internal Audit Plan

Not completed

Priority		2020/21 Days	2021/22	2022/23 Draft Days	Risk Factor / Corporate Risk link
	Main Financial Systems				
H/M	Main Accounting and Budgetary Control / MTFP	0	12	12	The Council's accounts cannot be produced/ reputational damage / possible lack of control over spending (Corporate Risk 1)
H/M	CIPFA Financial Management Code of Practice	10	0	0	Lack of financial resilience/ sustainability (Corporate Risk 1)
H/M	Payroll / return of Arvato and Kier	20	30	0	Staff are paid incorrectly/ ghost employees created / end of PPP (Corporate Risk 11)
H/M	Creditor Payments (Accounts Payable)	25	25	25	Duplicate/ fraudulent payments/reputational
H/M	Debtors (Accounts Receivable)	0	15	0	Loss of income
H/M	Treasury Management – Loans and investments	0	15	0	Poor investment decisions / fraud
H/M	Gov Grants – Business / household	0	15	15	Fraud / error
H/M	Cash and Banking	15	0	18	Loss of income / theft
H/M	Council Tax	15	0	20	Loss of income / fraud
H/M	Non Domestic Rates	0	20	0	Loss of income / fraud
H	Housing / Council Tax Benefits	20	21	20	Reputation damage / fraud
H/M	Housing Rents	20	20	20	Loss of income / Fraud

Priority		2020/21 Days	2021/22	2022/23 Draft Days	Risk Factor / Corporate Risk link
H/M	HRA Business Plan	0	5	5	Risk that planning doesn't take into account all considerations / scenarios (Corporate Risk 13)
H/M	Housing Repairs – Capital	0	0	0	Reputational damage / poor workmanship
H/M	Housing Repairs – Revenue	20	20	20	Reputational damage / poor workmanship
	Total	145	198	155	
	Other Operational Audits				
N/A	Brimington Parish Council	5	5	5	Accounts may be incorrect
L	Bulky Waste	0	0	6	Loss of income
H/M	Car Parks Income	0	0	25	Income loss, theft
L	Car Allowances / subsistence	0	0	10	Fraud
M	Choice Based Lettings	10	0	0	Loss of income, reputational damage
M	Committee Report Process	10	0	0	Lack of transparency, reputation
L	Community Safety	10	0	0	Public Safety
M	Contract final accounts	5	5	3	Poor contract management, fraud
H/M	Data Protection inc PCI Compliance	0	0	12	Reputational damage, financial penalties (Corporate Risk 9)
H	Various Grants sign off	0	5	5	Fraud
M	Healthy Living Centre	15	15	0	Loss of income, theft
M	Homelessness	0	0	12	Reputational Damage
M	Joint Crematorium	12	12	12	Reputational damage
M	Markets	12	12	0	Loss of income, theft
L	Members Allowances / Civic Expenses	0	0	10	Fraud

Priority		2020/21 Days	2021/22	2022/23 Draft Days	Risk Factor / Corporate Risk link
M	Planning Fees	0	12	0	Loss of income
N/A	PPP Client Monitoring Procedures	5	0	0	Poor contract management (Corporate Risk 11)
M	Private Sector Housing Grants	0	0	10	Fraud
H/M	Property Compliance Audit (Gas Servicing)	0	15	0	Health and safety risk (Corporate Risk 6)
M	Property Rents	0	0	12	Loss of Income / fraud
H	Property Repairs – non housing	12	12	0	Assets not fit for purpose, no budget to repair (Corporate Risk 15)
M	Queens Park Sports Centre	20	20	0	Loss of income, theft
L	Rechargeable Repairs / leaseholders	10	0	0	Loss of income
H/M	Refuse Collection – Domestic	10	10	12	Reputational damage
M	Sale of Council Houses (Right to Buy)	10	0	0	Fraud
M	Section 106/CIL Follow up	12	0	0	Income Loss, fraud, failure to provide projects
L	Stores	10	0	0	Poor stock control – fraud, inefficiencies
M	Taxi Licences	12	0	10	Loss of income, safeguarding issues (Corporate Risk 14)
M	VAT	8	0	0	Heavy fines
H/M	Venues	0	0	20	Loss of income, theft
	Total	188	123	164	
	Computer and IT Related				Risk Factor
H	Cyber risks/Network Security	15	0	15	Attack on Council's network (Corporate Risk 8)

Priority		2020/21 Days	2021/22	2022/23 Draft Days	Risk Factor / Corporate Risk link
L	Inventory / disposal of equipment	10	0	0	Lack of data security, theft
H	IT Improvement / transformation Programme	0	12	12	IT failure (Corporate Risk 2 & 4)
L	Members IT equipment / phones	0	10	0	Data breaches, loss of equipment
H	New system review / system upgrades	5	10	10	Failure to test properly before implementation/ data protection
	Total	30	32	37	
	Cross Cutting Issues				
H	Corporate Governance and Annual Governance Statement	18	20	14	Poor Governance, reputational damage
M	Business Continuity Planning	12	15	0	Failure to provide services, reputational damage (Corporate Risk 5)
M	Climate Change	5	0	0	Reputation, failure to implement action plan
M	Ethical Governance	12	0	0	Reputation, lack of transparency
H	Financial Advice / Working Groups/Transformation Projects	25	25	25	Appropriate controls not in place (Corporate Risk 2)
H/M	Health & Safety	0	0	12	Risk of injury or death, reputational damage (Corporate Risk 6)
M	Performance Management, Corporate Targets	0	12	0	Poor Governance
H	Procurement	0	0	15	Fraud, poor value for money, non-compliance with OJEU (Corporate Risk 10)
H	Projects/Project management e.g. economic development,	20	20	30	Reputation, Value for Money (Corporate risk 2)

Priority		2020/21 Days	2021/22	2022/23 Draft Days	Risk Factor / Corporate Risk link
H/M	Risk Management	0	5	8	Failure to identify and mitigate risks
H/M	Safeguarding	12	0	0	Reputational damage, safety of vulnerable children and adults (Corporate Risk 14)
M	Sickness Absence / Wellbeing	0	0	12	High sickness levels / poor motivation
	Total	104	97	116	
	Fraud and Corruption				
	Anti-Fraud, Bribery and Corruption Strategy	3	0	3	Fraud, poor culture
	National Fraud Initiative	0	5	5	Fraud
	Total	3	5	8	
	Location / Regularity				
	Petty Cash	5	0	0	Theft
	Total	5	0	0	
	Special Investigations/Contingency/emerging risks/ Test schedule updates	40	60	35	Theft, fraud, reputation, health & safety (Corporate risk 17)
	Apprenticeship / training	30	30	30	Technical competence
	Audit Committee / Client Officer Liaison	15	15	15	Non- compliance with PSIAS
	Planned Total Days	560	560	560	

Reserve Areas for 2022/23

Leaseholders

Rechargeable Repairs

Innovation Centres

Sales of Land and Property

NNDR

Social Media

Bonus Scheme

For publication

Review of the Code of Corporate Governance and the Annual Governance Statement

Meeting:	Cabinet Standards and Audit Committee
Date:	5 April 2022 20 April 2022
Cabinet portfolio:	Cabinet Member for Governance
Directorate:	Finance

1.0 Purpose of the report

- 1.1 To Review compliance with the Code of Corporate Governance requirements during the year 2021/22 and to present the Annual Governance Statement.

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 2021/22 (Appendix 1)
 - b) the Annual Governance Statement 2021/22 (Appendix 2).
- 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
 - 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 significant issues and future challenges identified in the Annual Governance Statement is monitored by the Corporate Leadership Team.

3.0 Reasons for recommendations

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

3.2 To comply with the requirements of the Accounts and Audit Regulations 2015.

3.3 To support the maintenance of sound risk management, governance and control arrangements within the Council.

4.0 Report details

Background

4.1 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.

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

4.3 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".

4.4 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.

4.5 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.

Review of compliance with the Code of Corporate Governance requirements

4.6 The Review at Appendix 1 shows that there has been substantial compliance with the Code of Corporate Governance during the year 2021/22. Where discussions with CLT and the work of Internal Audit has identified issues, these have been addressed within the Annual Governance Statement.

The Annual Governance Statement

- 4.7 The review of compliance with the Code of Corporate Governance helps to identify evidence which is then used in the Annual Governance Statement.
- 4.8 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 2) has been derived from a detailed review of the assurances by senior officers and from the work undertaken and risks identified by internal audit.
- 4.9 The Corporate Leadership Team and other senior officers have all been involved in the review.
- 4.10 The review indicates that many of the processes and procedures in place at Chesterfield Borough Council are compliant with good practice however there are some governance issues and future challenges that are detailed within the Annual Governance Statement.
- 4.11 The Annual Governance Statement includes the continuing impact of COVID 19 during 2021/22 on the Council's governance arrangements.
- 4.12 The Annual Governance Statement also confirms substantial compliance with the CIPFA Financial Management Code. Compliance with the code seeks to provide assurance that Council's have financial resilience and sustainability.
- 4.13 The Annual Governance Statement (Appendix 2) 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.

5.0 Alternative options

- 5.1 Not applicable.

6.0 Implications for consideration – Council Plan

- 6.1 This review helps to ensure that the council's resources and priorities are focused on achieving the objectives within the council plan.

7.0 Implications for consideration – Financial and value for money

7.1 Ensuring that governance processes, risk management and controls in place are strong and transparent helps to ensure that there is good financial management and that value for money is achieved.

8.0 Implications for consideration – Legal

8.1 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.

9.0 Implications for consideration – Human resources

9.1 None

10.0 Implications for consideration – Risk management

10.1 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 ensures that the identified issues and challenges can be addressed. Progress will be monitored by the Corporate Leadership Team and the Standards and Audit Committee.

11.0 Implications for consideration – community wellbeing

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

12.0 Implications for consideration – Economy and skills

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

13.0 Implications for consideration – Climate Change

13.1 There are no perceived climate change impacts as a result of the recommendations to approve the Annual Governance Statement and review of the Code of Corporate Governance.

14.0 Implications for consideration – Equality and diversity

- 14.1 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.

Decision information

Key decision number	210
Wards affected	All

Document information

Report author	
Jenny Williams Internal Audit Consortium Manager Finance	
Background documents	
Accounts and Audit (England) Regulations 2015 CIPFA/SOLACE publication – Delivering Good Governance in Local Government Framework 2016 Edition	
Appendices to the report	
Appendix 1	Annual Review of the Code of Corporate Governance
Appendix 2	Annual Governance Statement

Chesterfield Borough Council

Local Code of Corporate Governance – 2021/22 Review

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p>Principle A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</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>	<p>There is a four year Council Plan (2019 – 2023) that includes a vision statement. A delivery plan is also approved by Council on an annual basis. The Council Plan is cascaded down through SLT, CLT, service managers meetings, managers weekly bulletins, team meetings and the aspire intranet.</p> <p>Decision making is set out in the Constitution. The Constitution is underpinned by legal references. The Constitution is reviewed and updated as necessary, with amendments approved by Standards and Audit committee/Full Council (as appropriate).</p> <p>Member and Officers Codes of Conduct are within the Constitution along with protocols on Member/Officer relations.</p> <p>Amongst others, the Council has the following policies/strategies/protocols in place which are on the Council's intranet: -</p> <ul style="list-style-type: none"> Anti- harassment and bullying policy Anti- Fraud, Bribery and corruption policy (last Reviewed September 2021) Equality and diversity policy

CIPFA/SOLACE core principles of good Governance	In place at CBC
	<p>Recruitment Policy Confidential Reporting (Whistleblowing) policy Procurement Strategy Partnership guidance/protocol. Legal Services Protocols Complaints procedures Staff competency framework</p> <p>Declarations of interest are expected from Members and Officers Declarations of Gifts and Hospitality are retained</p> <p>Member and Officer induction, training and refresher cover: -</p> <ul style="list-style-type: none"> • Behavioural and ethical values • Standards • Fraud and corruption • Equality and Diversity <p>The Council is strongly working towards all staff having annual performance appraisals and mid- year reviews. An employee’s commitment to the Council’s values are assessed at performance development reviews</p> <p>There are 3 Scrutiny Committees: -</p> <p>1)Overview and Performance Scrutiny Forum</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 63</p>	<p>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>There is also an Audit and Standards Committee. Each Committee has its own terms of reference. Committee minutes and reports are retained</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 Service Director - Finance 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 complied with.</p> <p>The Council has a Monitoring Officer and team to deal with legal breaches. The Monitoring Officer has oversight of governance at the Council and a Deputy Monitoring Officer (in whom vests the legal function in the absence of the Monitoring Officer).</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p>Principle B Ensuring openness and comprehensive stakeholder engagement 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.</p>	<p>Communication means are: -</p> <ul style="list-style-type: none"> • Annual financial statements • Council Plan • The council Newsletter” Your Chesterfield” which includes Our Homes for Tenants and Leaseholders • The council website • Social media channels including video, photos and infographic content • An annual report to tenants is prepared and sent to the Housing Regulator (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. • 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. • FOI Publication Scheme • Council Tax information is on the website • There is a Community Engagement Group and a Communications and Engagements Strategy which includes an annual action plan. • 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. • Housing’s Tenant Challenge Panel (Scrutiny equivalent) has a clear set of Terms of Reference and Code of Conduct for Members.

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 65</p>	<ul style="list-style-type: none"> • Derbyshire wide engagement group to share best practice and develop joint approaches where applicable. • 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. <p>In terms of committee meetings: -</p> <ul style="list-style-type: none"> • An annual meeting timetable is published. • There is a template for Committee reports with standard headings and an online system in place for reviewing and signoff of reports via ModGov. • Officers reports are all retained with the Committee agendas and papers. • All committee reports are “open” agenda items unless there is a valid reason to exclude the public. • All decisions by Committees are minuted. <p>Decision making is set out in the Constitution. All Committees have adopted Terms of Reference and have scheduled meetings during the year.</p> <p>A partnership guidance/protocol has been developed. This includes arrangements for considering partnership arrangements including concerns and resource requests at the Finance and Performance Board.</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
	<p>Equality impact assessments take place</p> <p>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>Results of consultation exercises are published e.g. employee survey.</p> <p>Alternative Covid-19 secure consultation routes developed during the pandemic to enable key consultation activity to continue.</p> <p>Annual State of the Borough Report and briefing notes on emerging issues.</p>
<p>Principle C Defining outcomes in terms of sustainable economic, social, and environmental benefits</p> <p>The long-term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens,</p>	<p>The Council Plan covers 4 years and 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>Service Plans are renewed every year, are developed from the Council Plan and include performance targets. The Council is in the process of adopting an organisational development strategy that will further enhance these links.</p> <p>The Council Plan is aligned to the medium-term financial plan (2019 – 2023) and is refreshed each year based on the affordability of each of the priorities.</p> <p>The Council’s financial arrangements have been assessed against the</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p>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>Page 67</p>	<p>CIPFA Financial Management Code and been found to be compliant.</p> <p>The performance framework includes quarterly challenge at the Finance and Performance Board and Overview and Performance Scrutiny. Annual performance report to Cabinet.</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>HRA Business Plan Steering Group leads on the development of the HRA Business Plan, this comprises of tenants, officers and elected members (scrutiny is part of this group).</p> <p>State of the Borough Report.</p> <p>There is an Engagement Strategy</p> <p>Consultation is part of The Council's Equality Impact Assessments. There is an Equality and Diversity and Policy, Strategy and action plan.</p>
<p>Principle D Determining the interventions necessary to optimise the achievement of the intended outcomes</p>	<p>The priorities in the Council plan are</p> <ol style="list-style-type: none"> 1) To make Chesterfield a thriving Borough

CIPFA/SOLACE core principles of good Governance	In place at CBC
<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>2) To improve the quality of life for local people 3) To provide value for money services</p> <p>An Organisational Development Strategy along with a Corporate Project Management Framework have been approved to aid in achieving the Council's priorities</p> <p>Service plans are built up to reflect these priorities.</p> <p>The Constitution defines the decision making mechanisms in place including Member/officer decision making protocols.</p> <p>Corporate Leadership 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/CLT increases flexibility and agility. This is being rolled out across the Council. One Council: One Team is a core CBC value which is considered during all Performance Development Reviews.</p> <p>All Committee reports contain various options and an officer recommendation. There is a schedule of meetings in place</p> <p>The Council has adopted a Communications and Engagement Strategy and develops annual action plans. Feedback is given on consultation via the CBC website, social media, public</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 69</p>	<p>meetings, and Your Chesterfield/ Our Homes where appropriate</p> <p>Information is dispersed internally via:-</p> <ul style="list-style-type: none"> • Managers weekly bulletin • Elected members e-bulletin • Aspire intranet for staff and members <p>The performance framework includes quarterly challenge at Finance and Performance Board and Overview and Performance Scrutiny. Annual update on progress against the Council Plan.</p> <p>There is a medium- term financial strategy in place and a savings plan both of which are regularly reviewed. Accountancy has regular budget meetings with service managers. Budgets are prepared in liaison with service managers taking in to account service plans and savings targets.</p> <p>There is a Finance and Performance Board that meets every 3 weeks.</p> <p>Budget guidance and protocols are issued to all service managers. There are well established budget preparation and review procedures. Budget challenge sessions take place.</p>
Principle E Developing the entity’s capacity, including the capability of its leadership and the individuals within it	The Council has adopted a competency framework to ensure that it encourages the behaviours and values expected.

CIPFA/SOLACE core principles of good Governance	In place at CBC
<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>The Council has a People Plan 2019 - 23 that all managers have been made aware of. Every post has a job description and person specification.</p> <p>A new Corporate Leadership Team Structure came into force from December 2020. Tier 4 of the Management Structure was reviewed and approved in 2021 with the aim of providing the right level of management capacity.</p> <p>There are Training programmes for managers and management modules on Aspire Learning Annual performance development reviews identify training requirements as does the Induction programme.</p> <p>IIP accreditation – awarded gold standard in February 2022.</p> <p>There has been a specific series of training provided for remote leadership and management during Covid-19.</p> <p>All members undergo induction training, and this is supplemented by specific training on e.g. planning, licensing, standards. Officers are encouraged to undergo relevant CPD to ensure their professional skills and knowledge maintained and updated. Specific training given for virtual meetings during Covid-19.</p> <p>The Member development group includes learning and development</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 71</p>	<p>programme.</p> <p>All staff have a learning and development plan</p> <p>There are appropriate human resources policies in place.</p> <p>Managing workplace Stress policy</p> <p>Capability Policy</p> <p>Managing attendance Policy</p> <p>Employee support programme – counselling and advice line</p> <p>Mental Health awareness training day for managers.</p> <p>Webinars for managers and staff to help mental health</p> <p>Training on various topics available on Aspire Learning.</p> <p>Referral to Occupational Health.</p> <p>Corporate Health & Safety Committee</p> <p>Additional risk assessments during COVID 19</p> <p>Equipment e.g. chairs, desks, monitors supplied to Officers homes whilst working from home due to COVID 19.</p>
<p>Principle F Managing risks and performance through robust internal control and strong public financial management</p> <p>Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance</p>	<p>There is a risk management strategy in place that is reviewed and approved every year by the Standards and Audit Committee and Council.</p> <p>There is a strategic risk register and all services have an operational risk register that is reviewed by the Risk Management Group. The Risk Management Group meets on a quarterly basis.</p> <p>All committee reports include a risk section.</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p>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>Internal audit review risk management arrangements on a regular basis. The audit plan also takes in to account high risk areas and areas that are included in the corporate and service risk registers.</p> <p>The Head of the Internal Audit Consortium oversees the production of the Annual Governance Statement.</p> <p>The IAC is resourced and maintained at a satisfactory level.</p> <p>An external review of internal audit took place in May 2021 and concluded that the IA Consortium was compliant with the Public Sector Internal Audit Standards.</p> <p>The IAC Manager provides an annual audit opinion on the council's governance, risk and control processes.</p> <p>All areas have a service plan and performance measures form part of that.</p> <p>Progress against the objectives in the Council Plan and the associated Performance targets are monitored quarterly. Finance and Performance Board receives regular reports from each service to track delivery against financial targets.</p> <p>Scrutiny Roles and Responsibilities are defined in the Constitution. There are 3 scrutiny committees: -</p> <ul style="list-style-type: none"> • Enterprise and Wellbeing, • Community, Customer and Organisational

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 73</p>	<ul style="list-style-type: none"> • Overview and Performance <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>The Council is largely compliant with the CIPFA Financial Management Code There is a Medium Term Financial Plan in place and the Finance and Performance Board meet on a regular basis. Financial Standards and guidance are adhered to. The accounts are audited by Mazars. Financial Regulations and Standing orders are within the Constitution. Variances between budget and outturn are reported to Cabinet/Council on a quarterly basis.</p> <p>Managers receive monthly budget monitoring reports. The progress in achieving savings action plan is reported to SLT monthly and members as part of the quarterly budget monitoring reports to Cabinet.</p> <p>There is an anti-fraud Bribery and Corruption policy in place (revised September 2021).</p> <p>The Standards and 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</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 74</p>	<p>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 Committee undertake self -assessments against the CIPFA audit committees Practical Guidance for Local Authorities and Police 2018 edition on an annual basis. The Committee complies with best practice.</p> <p>There is a data disposal and retention schedule covering all areas of the Council.</p> <p>There is a data asset register and a designated Data Protection Officer.</p> <p>There are IT and Data Protection Policies in place.</p> <p>The Council has an information assurance risk register in place which details the mitigating actions and steps being taken to address issues identified.</p> <p>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.</p>
<p>Principle G Implementing good practices in transparency, reporting, and audit to</p>	<p>There is an approved Communications and Engagement strategy. The website has been developed.</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
<p>deliver effective accountability 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>The council newspaper “Your Chesterfield” which incorporates Our Homes for council tenants is sent out 4 times a year.</p> <p>Achievements against priorities are communicated to the public through the media, council website, Statement of Accounts and various social media 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>The annual financial statements for 2020/21 were signed off by Mazars by the required date which confirms that they comply with best practice.</p> <p>The Corporate Leadership Team are all involved in monitoring progress against the council plan which is reported to members.</p> <p>The annual governance statement is produced via a robust process that involves all of the Corporate Leadership Team. Each year an action plan is produced and monitored to address identified weaknesses.</p> <p>The Head of the Internal Audit Consortium is CIPFA qualified and complies with the statement on the role of the Head of Internal Audit.</p>

CIPFA/SOLACE core principles of good Governance	In place at CBC
	<p>An external review in May 2021 confirmed that internal audit is compliant with the Public Sector Internal Audit Standards. An annual internal self-assessment of internal audit also confirms compliance with the Standards.</p> <p>The implementation of internal audit recommendations is monitored by CLT and the Standards and Audit Committee.</p> <p>The Council achieved Investors in people silver status in 2018 and is going for gold in 2021.</p> <p>Safeguarding – CBC is fully engaged with the Derbyshire Safeguarding boards including the district subgroup which challenge and share best practice amongst district authorities. There is mandatory safeguarding training for all officers.</p> <p>A peer challenge review took place in 2021 the results of which are awaited. Internal audit review the areas that are delivered through third parties.</p>

CHESTERFIELD BOROUGH COUNCIL

ANNUAL GOVERNANCE STATEMENT 2021/22

Scope of Responsibility

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

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

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

The purpose of the governance framework

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

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

The governance framework has been in place at the Council for the year ended 31st March 2022 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 and this has continued to impact on the council for the whole of 2021/22. The Council has successfully managed to keep its highest priority areas operating.

A significant amount of work continues to progress across partnerships in Chesterfield and Derbyshire to understand the impacts of COVID-19 in more detail and to develop targeted activities to tackle these impacts.

During 2021/22 we continued to support a range of Covid-19 support schemes including:

- Final payments around business support grants,
- Administering the new Omicron business support schemes,
- Continued Covid-19 engagement, education and where necessary enforcement with businesses,
- Using the Winding Wheel Theatre as a vaccination centre.
- Using Car Parking sites for testing facilities,
- Regular Covid-19 hub updates via website and social media campaigns,

- Continuing to support a range of local resilience forum campaigns and requests for support,
- Progressing the community recovery approach and economic recovery plan to support overall borough recovery,
- Supporting a range of activity to encourage footfall back into our town centres, including: the Love Chesterfield and Christmas in Chesterfield marketing campaigns; a 'Little and Often' events programme supplemented by traditional larger events such as the 1940's Market, the Christmas Lights Switch on and Lantern Parade; and the Amazing Santa House experience which received over 500 visitors in December.
- Issuing an advice leaflet to staff, elected members and to Destination Chesterfield Champions to help signpost individuals and families to the right places for support at an early stage
- Over £100k of Community infrastructure levy has been utilised to support a number of schemes contributing to the community recovery approach including Cosy Hub IT infrastructure to support homework clubs and CV and application form submissions for jobseekers, improvements to community spaces to enable grassroot groups to develop and thrive, children's digital library services, improvements to parks and open spaces to enable free, accessible exercise and wellbeing activities.

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.

In April 2021 Council approved an organisational development (OD) strategy. Work is now currently underway to shape the OD Programme. Projects are focused around four strategic themes: ICT Improvement, Customer Services, People and Resources and New ways of working. Successful delivery of each project will move the Council closer to the achievement of the seven outcomes which have been defined in the OD Strategy relating to 1) People & Culture 2) Finance & Commercial 3) Access to Services: 4) Digital & Data Capability: Develop digital capability 5) Strategy, Policy & Governance 6) Programme & Performance Management 7) Engagement & Communication. The OD programme is a key driver for delivering organisational change and a more strategic approach to delivering financial sustainability.

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 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 Leadership team meetings and is suitably qualified.

Financial Management

The Chief Financial Officer is professionally qualified and experienced to undertake their roles and responsibilities and is supported by an experienced and appropriately qualified finance team. The Chief Financial Officer is a key member of the Corporate Leadership 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.

The Council has assessed its arrangements against the CIPFA Financial Management Code and is broadly compliant with these. Further work is being undertaken to embed

the principles within the Code. CIPFA's Financial Management Code (FM Code) was published in October 2019 and provides guidance for good and sustainable financial management in local authorities. The FM Code offers assurance that authorities are managing resources effectively, regardless of their current level of financial risk. The Code provides 6 principles against which to judge financial management (leadership, accountability, transparency, standards, assurance and sustainability). The principle of proportionality is embedded within the code and reflects a non-prescriptive approach.

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 Head of the Internal Audit Consortium is a senior manager, professionally qualified and leads an appropriately resourced and experienced audit team. An external review of internal audit took place in May 2021 and this review confirmed that the Consortium is compliant with the PSIAS.

LGA Peer Review

In October 2021 the council took part in a Local Government Association Peer Challenge. This saw a team of experienced officers and an elected member spending time with us as 'critical friends' to provide challenge, share learning and identify any areas for improvement.

The team were highly impressed with Chesterfield Borough Council's aims, ambitions and committed and energetic workforce. The recommendations arising from the review will be taken on Board in the coming year.

Partnerships

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.

The Council is a member of D2N2 Local Enterprise Partnership (LEP) and a non constituent member of the Sheffield City Region mayoral combined authority. 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.

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 again this year significantly outperformed the budget forecast.

Economic Development

As part of its Growth Strategy the Council is supporting or delivering a number of growth and regeneration projects that are currently 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 an improved focus on the delivery of key projects within the Borough.

In November 2021 the government published its Integrated Rail Plan (IRP), which sets out investment including an announcement that the HS2 Eastern Leg will not be going ahead as proposed. Our plans for development around Chesterfield station are well advanced, as set out in the recently approved Station Masterplan we believe these can still go ahead despite the changes to the eastern leg of HS2. With regard to the Staveley area, the prospect of an HS2 depot has helped generate momentum for bringing regeneration and growth, in particular along the former Staveley Works corridor. We will need to work closely with government to understand more of the detail as the IRP provides only a high-level plan and we are very keen that the uncertainty created by the IRP is resolved as soon as possible so we can get our plans back on track.

£11 million in Levelling Up funding has been successfully procured to progress the £17.2 million Stephenson Memorial Hall Project to remodel and refurbish Chesterfield's 'striking' Stephenson Memorial Hall. Under the plans, the refurbished Hall would bring together under one roof an extended Pomegranate Theatre, a reconfigured and modern museum offering, alongside new gallery space, a café bar, education and community facilities.

A further £8.5m has been successfully bid for to further regenerate Chesterfield's historic town centre, with investment centred on four key public spaces – Corporation Street, Rykneld Square, Market Square and New Square – and how these are connected to one another. These spaces would be re-imagined for a range of flexible uses including markets, festivals, events, cultural celebrations, and community gatherings in a programme that will aim to complement the offering at Stephenson Memorial Hall and other key town centre assets such as the Church of St Mary and All Saints (Crooked Spire) and Market Hall Assembly Rooms.

The proposals are the next stage of the council's ambitious plans to transform Chesterfield town centre and make sure the borough's market traders, retailers and

other employers are strongly positioned to recover from the long-term economic impact of the Covid-19 pandemic.

Chesterfield Borough Council has secured a forward funding agreement with the developer, Chesterfield Waterside Ltd, as a key strategic investment opportunity for the town. Funding for the delivery of the high-quality office building was approved as part of Chesterfield Borough Council's ambitious growth strategy. The investment is designed to kick-start the town's economic recovery from Covid-19. The new office building, known as No.1 Waterside Place, will provide office accommodation of the highest specification. It represents the first step in delivering the commercial element of Chesterfield Waterside's Basin Square neighbourhood. Construction is progressing well with a focus now on internal works, completion of the external brick facades and exterior landscaping. Active marketing is now in place to attract tenants. Interest is growing and viewings are being undertaken on site, with the first tenants secured.

The Staveley Town Deal Board has secured £25.2 million from Town Deal funding. Chesterfield Borough is acting as the accountable body and lead partner. We have reported our monitoring and evaluation plan and summary to Government for the 11 projects within the Town Deal. Capital funding has been secured to assist projects to develop their business cases and an internal programme board has been established to provide check and challenge to the process. External appraisers have also been appointed to add further challenge to ensure robust business cases can be submitted by March 2022. The projects progress will be closely monitored and regular reporting to the relevant groups / committees will take place.

Investors in People

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.

In February 2022 the Council was successful in achieving the Gold Standards Investors in people award. The Gold standard is only achieved by 17% of organisations presenting for assessment, and reflects the culture of trust, collaboration, and strong values created within Chesterfield Borough Council.

This year Tier 4 of the Council's management structure has been restructured. Roles and responsibilities have been reviewed in order to ensure that there is the right capacity and skills at the top level to take the council forward. Further service reviews will take place in the coming year.

Risk Management

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. A complete refresh has been undertaken this year and the group is now much more focused on emerging risks and horizon scanning.

ICT

The ICT and digital improvement programme has continued to move at pace during the year. Cloud Migration is continuing as is phase 2 of the Office 365 rollout that adds new features, improving security and backup and adding data loss prevention tools. PSN certification has been achieved.

Work has started on developing the next iteration of the ICT Strategy for CBC, continuing from the 2018-2021 one. Some elements have been paused to enable focus on the cloud migration. Definition of programmes and workstreams to achieve the strategic vision, including costings are expected to be shaped in 2022. This will also include longer term strategic planning and a roadmap beyond 3 years.

Communication

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 Leadership 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 the governance, risk and control arrangements in place in accordance with the agreed internal audit plan
- Monitoring Officer reviews and monitors the operation of the Council's Constitution
- The Chief Executive, Executive Directors and Corporate Leadership Team monitoring the risks and the associated controls assigned to them

- The Chief Financial Officer providing the Council and the leadership 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
- The Council's Standards and Audit Committee receives reports on the work of internal audit, including the annual report by the Head of the Internal Audit Consortium.
- An annual review of the Local Code of Corporate Governance is undertaken and 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. Although some targets continue to be affected by COVID-19, the majority are progressing at pace. A few of the Council's achievements during the year are: -

- 342 jobs and 70 apprenticeships have been secured via local labour clauses and over £17 million in contracts within the local supply chain,
- The Vision Derbyshire Business Start up programme has been formally launched. Chesterfield residents interested in starting a business can access one to one support from a business start up adviser and can access grant funding to support business start up costs,
- The My Chesterfield digital portal now has over 19,700 customers signed up with increasing rates weekly,
- CBC continues to drive forward proposals for a Construction Skills Hub and DRIVe (rail innovation and training Centre) as part of the Staveley Town Deal. Staveley Town Deal Board approved £467,000 for the Construction Skills Hub in Dec 21 – the Full Business Case for DRIVe is expected to be complete by February 22,
- The new Enterprise Centre is being constructed to BREAM excellent standard and the roll-out of EV charging points, alongside the development of active travel measures, are supporting the Council's climate change programme. The expected completion date is March 2022,
- The revised Rough Sleeper Strategy was approved by Cabinet in June 2021. The strategy includes 38 commitments around prevention, intervention and recovery. Learning from the pandemic and Community Recovery Approach have been incorporated with new areas of work. The official Rough Sleeper Count figures demonstrate a reduction in rough sleeper numbers during the span of the Council Plan, demonstrating a positive impact of our action and partnership approach for this critical issue,
- The Council's competency framework was launched to all staff with three training modules delivered to all managers

- In respect of Climate Change 21 of the 45 actions within the CCAP have been established within mainstream council delivery. A further 19 actions are on target to be completed to plan timescales. 5 actions are currently running behind schedule due to capacity issues within the relevant teams but are still expected to be delivered before the end of the plan
- We successfully secured £1.5 million in external funding to support owner occupiers and private sector landlords to improve the energy efficiency of their homes and also to help tackle fuel poverty. Since the scheme launched we have received over 150 enquiries. Improvements to three properties have been completed and a further 52 are being progressed.
- The £7.1 million modernisation programme of Council homes at Pullman Close, Mallard Court, Leander Court and Aston Court in Staveley is progressing as scheduled
- Memberships statistics for the leisure centres continue to improve to perform well with a net growth of 633 members from the beginning of the year (368 HLC and 265 QPSC).

Internal Audit Opinion 2021/22

The Head of the Internal Audit Consortium 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 2021/22. Sufficient work has been completed and assurances ascertained to be able to provide an unlimited opinion on the systems of governance, risk management and control in place. This year 2 audits have been issued with limited assurance however managers have reacted promptly to improve the controls 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.

A Review of 2020/21 Governance Issues

As part of formulating the 2021/22 Annual Governance Statement a review of progress against the issues raised in 2020/21 has taken place. Whilst positive progress has been made, the impact of COVID-19 has delayed some actions and some of the improvements implemented still require embedding so these issues have been raised again in the 2021/22 Statement. These actions will be delivered through the 2022/23 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 Leadership Team have identified that there are some areas where action can be taken to improve the governance arrangements in place. The areas identified below either present significant future challenges and/or require further targeted improvements.

No.	Issue Identified	Action to address
1.	<p>Financial Sustainability</p> <p>Many budget risks and uncertainties continue from previous years along with the increasing rise in inflation and further delay in fair funding changes.</p> <p>There are now very strong expectations that changes to local government funding will be implemented in 2023/24. These reforms have been delayed from 2019 due to Brexit and the pandemic. A consultation on potential reforms is expected in the spring of 2022, the scope of which is still unclear, and this was reflected in the one-year finance settlement. This means that funding levels over the medium term are difficult to project.</p> <p>The MTFP details further budget risks and sensitivities together with actions.</p>	<p>Further work will be undertaken to ensure a balanced and financially sustainable Medium Term Financial Plan.</p> <p>The principles within the CIPFA Financial Management Code will be further embedded</p> <p>Measures include the review of non-essential spending, maximising grant opportunities, appropriate charging to other funds and general efficiencies.</p> <p>The MTFP was reported to Council in February 2022, the first 2 years are balanced but there are still gaps to be closed in years 3 and 4. The Organisational Development (OD) programme will be utilised to generate savings to balance years 3 and 4.</p> <p>Preliminary analysis suggests that savings of £830,000 will be achievable by 2025/26. The OD Programme will be set out in a report to Cabinet in the spring.</p> <p>Active engagement, consultations and focus groups to understand the implications of Fair Funding.</p> <p>Reserves have been bolstered.</p> <p>The business rates reserve will be utilised to smooth the impact over the life of the MTFP and any underspend in 2021/22 will</p>

		be used to supplement the budget risk reserve.
2	<p>Asset Management</p> <p>The Council needs to improve the way in which it manages its assets: -</p> <ul style="list-style-type: none"> • Introduction of a new IT system • Development of a 10-year maintenance plan based on condition surveys and supported by the budget. • Disposal of assets that are no longer required 	<p>The Council has developed a 'draft' Asset Management Strategy, which received positive support from the LGA Peer Review team. The strategy and supporting plan will be presented to Committee during 2022/23 for approval, along with a long-term cost/benefit analysis and MTFP implications. There is also work in progress to review the Property Services arrangements to ensure appropriate resources are available to deliver and maintain the approach contained in the new Asset Management Strategy and action plan.</p> <p>The condition survey and maintenance plan is being progressed and will inform the asset management plan, disposal strategy and MTFP implications. Social housing condition surveys are undertaken on an ongoing basis and inform the development of the capital programme and 30 year Business Plan. The HRA Business Plan has been updated and will be shared formally in late 2022/23. The asset management system will be replaced as part of the ICT improvement programme.</p>
3	<p>Workforce Capacity and capability</p> <p>Ongoing budget challenges and service demands mean that the Council will need to continue to manage workforce capacity and capability.</p> <p>This year tier 4 of the staffing structure has been reviewed and</p>	<p>The people plan 2019 - 23 is being implemented and aims to develop great leaders, manage change well, develop capacity and skills, support employee wellbeing and promote recognition and reward.</p> <p>Staffing structures below tier 4 will be</p>

	<p>approved.</p> <p>Capacity issues remain at lower tiers and these are in the process of being addressed.</p> <p>In February 2022 the Council achieved the Gold standard award for Investors in People</p>	<p>reviewed.</p> <p>There will be a review of staff subject to red book terms and conditions.</p> <p>Vacancy control processes will continue to be followed ensuring that service demands can be met whilst managing budget.</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>In April 2021 Council adopted a Corporate Project Management Framework</p> <p>The use of the framework still needs to embed however the main benefits will be: -</p> <ul style="list-style-type: none"> • Improved standards and co-ordination of project planning, decision making and management • Increased strategic oversight, focus and prioritisation • Strategic alignment across projects & programmes • A single, joined up and consistent process • Support the 'One Council' approach to achieving delivery of the Council Plan • More collaborative use of resources to reduce costs • streamlined performance 	<p>The Corporate Project Management Framework is now live and work will be undertaken in the 2022/23 financial year to further embed the use of the Corporate Project Management Framework throughout the Council</p>

	<p>management approach to inform decision making and drive improvement</p> <ul style="list-style-type: none"> • Opportunity for new ideas to be evaluated and developed fairly, in line with consistent application of criteria and approach 	
5	<p>Procurement</p> <p>Major progress has been made in this area: -</p> <ul style="list-style-type: none"> • A new in – house procurement team has been appointed • All relevant officers have completed training on the new procurement system. • The procurement system is fully operational • Contracts can be monitored on the system which ensures that regulations are complied with <p>The new systems and processes will take time to fully embed</p>	<ul style="list-style-type: none"> • Work will continue to identify all contracts and to feed these into the work programme • The procurement team are updating the Contracts Register with historic but live contract data to ensure a final comprehensive corporate workplan is reached. • A new control to be introduced to ensure that all high spend is subject to approval by the procurement team <p>Progress is on-going.</p>
6	<p>Health and Safety</p> <p>Capacity remained an issue throughout 2021/22 to fully address health and safety issues however a new post was created and recently appointed to - Strategic Health, Safety and Risk Manager</p>	<p>The new Strategic Health, Safety and Risk Manager will be undertaking a review to ensure that there is a comprehensive corporate health and safety function in place.</p>
7	<p>COVID-19 / Recovery / impact on the community</p> <p>The Council has a detailed emergency plan and business</p>	<p>The Council will ensure that it plays a key role in helping the community to recover.</p>

	<p>continuity plan in place, which is regularly updated.</p> <p>The Council's Business Continuity Plan has been utilised to focus efforts on the highest prioritised areas.</p> <p>The Council has been successful in keeping key services running and looking after the community and its own staff.</p> <p>The challenge ahead is to aid economic recovery and to support the community in its recovery.</p>	<p>Cabinet have approved an Economic Recovery Strategy and a Community Recovery Approach. These plans will be delivered during the 2022/23 financial year.</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 2022/23 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:

H Bowen
Chief Executive

Councillor T Gilby
Leader of Chesterfield Borough
Council

Date:

On behalf of Chesterfield Borough

This page is intentionally left blank

For publication

Delegation Scheme and Constitution

Meeting:	Standards and Audit Committee
Date:	20 TH April 2022
Cabinet portfolio:	Governance
Directorate:	Corporate

1.0 Purpose of report

1.1 To seek approval of updates to the Constitution.

2.0 Recommendations

2.1 That members confirm the changes to Constitution, and agree the delegations, proposed at Appendix 1.

3.0 Reasons for Recommendation

3.1 To ensure effective and efficient operation of the Council.

4.0 Report Details

4.1 The Constitution is a key document, required by law, which sets out the principal powers, duties and procedures of the Council. It also sets out in Part 3 to whom decision making over the Council's various functions is delegated.

4.2 The current form of Constitution has been in place since the early 2000s, using a government model. Most council constitutions follow a similar format, though some are now moving away from it. The constitution is publicly available on the Council's website at

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

- 4.3 The Constitution needs to be changed and updated from time to time to ensure it reflects current legislation, practices, functions, structures and efficient working of the authority.
- 4.4 Full Council considers the main changes and other changes are delegated to Standards and Audit Committee. Any consequential amendments and general updates are the responsibility of the Monitoring Officer.
- 4.5 Council approved and confirmed the Constitution at its 28th April 2021 Annual Business Meeting (and will consider it again at its meeting on 27th April 2022).
- 4.6 Since that time this committee approved some further amendments in July 2021 and general reviews and routine updates to the Constitution have continued, with attention also being given to formatting.
- 4.7 Further changes requiring approval by this Committee are set out in Appendix 1.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	to provide value for money services

Document information

Report author	Contact number/email
Gerard Rogers Monitoring Officer	01246 936471 gerard.rogers@chesterfield.gov.uk
Background documents	

The Council's Constitution – on Council website
<https://www.chesterfield.gov.uk/your-council/the-council/the-constitution.aspx>

This must be made available to the public for up to 4 years.

Appendices to the report

Appendix 1

Proposed changes to:
Part 3 – Disposal terms, missing legislation

Appendix 1

Constitution changes requiring approval by Standards and Audit Committee

Council Constitution:

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

Part 3 – Delegation Scheme

Page 89

Disposal Terms

While there are various delegations to officers relating to disposal of land, occasionally amendments are needed to terms, easements, boundaries and plans previously approved e.g. by members. This can cause delay to the transaction while further authorisation is sought.

It is proposed that there be a new delegation to enable officers to make appropriate amendments provided they are in accordance with the authority already given:

G375D Notwithstanding any prior decision, and in order to accord with disposal terms and to achieve the approved objective of the disposal: to agree appropriate amendment to boundaries of land to be disposed, and/or the nature and extent of supporting easements to be granted as part of the approved disposal, and/or to correct any error in the plan used for the transfer or other deed.

Recommendation:

That the proposed new officer delegation to allow amendments to approved terms be approved.

Animals

Some animal licensing related legislation is omitted in the animal licensing functions.

The Animal Welfare Act 2006 is legislation which creates a duty of care to the welfare of animals and makes it an offence to cause unnecessary suffering to animals.

It is proposed that the Animal Welfare Act 2006 is added to the functions:

A270 To carry out the licensing functions under the Animal Boarding Establishments Act 1963, the Riding Establishments Act 1964, the Pet Animals Act 1951, **the Animal Welfare Act 2006**, and the Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018.

Note: all such licensing functions are then delegated to the Service Director - Leisure, Culture and Community Wellbeing).

While general updating of legislation is implicit in the role of the Monitoring Officer in maintaining the Constitution, some further clarity is desirable over the delegation to the Monitoring Officer over addition of new legislation relating to existing functions and delegations.

Recommendation:

(1) That the Animal Welfare Act 2006 be added to the above delegation

(2) For avoidance of doubt:

(a) in future updates and additions to legislation referred to in delegations, where it is clear which function and delegation the legislation relates to, be delegated to the Monitoring Officer.

(b) the role of the Monitoring Officer in carrying out these and other routine Constitution updates be noted in Article 15 of Part 2 of the Constitution.

**Standards and Audit Committee
2022/23 Work Programme**

Scheduled meeting dates:	Business items: (please note these are subject to change due to operational or workload pressures)	Function/Lead
20 April, 2022	Update on QPSC and Markets Internal Audit Recommendations	Leisure, Sport and Cultural Services
	Progress update on the 2021/22 Internal Audit Plan	Internal Audit
	Chesterfield Borough Council Internal Audit Plan 2022/23	Internal Audit
	Review of the Code of Corporate Governance and the 2021/22 Annual Governance Statement	Internal Audit
	Updates to the Constitution	Standards and Governance
27 July, 2022	Standards and Audit Committee Annual Report	Internal Audit
	Internal Audit Consortium Annual Report 2021/22	Internal Audit
	Internal Audit Consortium Progress Report	Internal Audit
	Implementation of Internal Audit Recommendations	Internal Audit
	External Review of Internal Audit	Internal Audit
	RIPA Annual Report	Standards and Governance
	LGA Code of Conduct	Standards and Governance

	Updates to the Constitution	Standards and Governance
28 September, 2022	Summary of Internal Audit Reports issued and progress update on the 2022/23 Internal Audit Plan	Internal Audit
	Outstanding Internal Audit Recommendations	Internal Audit
	Review of the Internal Audit Charter	Internal Audit
	Ombudsman Annual Review Letter	Standards and Governance
	Treasury Management Annual Report 2021/22 and Monitoring Report 2022/23	Finance
	Audit Report on the 2021/22 Statement of Accounts*	Finance/External Auditors
	Risk Management and Strategic Risk Register update	Health, Safety and Risk
23 November, 2022	Summary of Internal Audit Reports issued and progress update on the 2021/22 Internal Audit Plan	Internal Audit
	Review of Unreasonable Complaints Policy	Standards and Governance
	Standards and Audit Committee Self-Assessment	Internal Audit
15 February, 2023	Risk Management Strategy and Strategy Risk Register	Health, Safety and Risk
	Treasury Management Strategy 2023/24	Finance
	External Audit Progress Report	External Auditors
	Audit Strategy Memorandum	External Auditors
	External Review of Internal Audit – Action Plan Progress Update	Internal Audit

	Outstanding Internal Audit Recommendations	Internal Audit
	Progress Update on the 2022/23 Internal Audit Plan	Internal Audit
	Standards of Conduct Annual Report	Standards and Governance
26 April, 2023	Progress update on the 2022/23 Internal Audit Plan	Internal Audit
	Chesterfield Borough Council Internal Audit Plan 2023/24	Internal Audit
	CIPFA Fraud and Corruption Survey Results 2022	Internal Audit
	Review of the Code of Corporate Governance and the 2022/23 Annual Governance Statement	Internal Audit
	Audit Strategy Memorandum 2022/23	External Auditors
	2022/23 Audit Progress Report	External Auditors
	RIPA Annual Report	Standards and Governance
Business items scheduled for future years:		
July 2023	Review of the Anti-Fraud, Bribery and Corruption Strategy (including Money Laundering)	Internal Audit
	Appointment of Independent Remuneration Panel	Standards and Governance
TBC	Procurement Update	Procurement

*may move to November depending on deadlines.

This page is intentionally left blank