

CHESTERFIELD BOROUGH COUNCIL – ANNUAL GOVERNANCE STATEMENT 2016/17
ACTION PLAN - PROGRESS AS AT THE END OF DECEMBER 2017

	Governance Issue	Action Proposed				Progress by end of December 2017
		Description	By Date	Officer	Priority	
1	Budget – There is a budget gap as identified in the Medium Term Financial Plan 2017/18 – 2019/20. The general fund and the Housing Revenue Account are both under increasing pressure.	<p>Need to continue to closely manage the Medium Term Financial Plan to ensure that the Council remains of sound financial standing, and to support decisions on the alignment of budgets to enable delivery of the Council's corporate plan for the period 2015-2019. This will be achieved through the established mechanisms for financial planning and reporting:-</p> <ul style="list-style-type: none"> • Financial Planning Group • Great Place Great Service Board • Corporate Cabinet and CMT workshops • Monthly budget monitoring reports to Service Managers • Quarterly budget monitoring reports to the Council, Cabinet and Scrutiny Forum <p>Regular dialogue with the trade unions.</p>	On going	Members / CE / Executive Directors/ Director of Finance and Resources	H	<p>The Council has been able to project a 'draft' balanced General Fund (GF) budget for 2017/18 of circa £996k turning around an initial project deficit of (£208k) into a surplus. Plans are being developed to balance the budget for 2018/19, currently showing a small surplus of £55k. The Council faces then an increase in the deficit each year, rising to £1.5m in 2021/22. Further savings and income generation plans are to be developed to address the deficit.</p> <p>The Council has yet to approve the 10yr business plans for IT investment excluded from the figures above. This could add £500k on average revenue costs to the GF budget pressures and deficits each year excluding capital spend</p> <p>The HRA is projecting a balanced position in the medium term following a recent stock condition survey, changes to our rents (moving to a 52 week rent year), voids (marketing, local lettings policy and lettable standard) and repairs (tenants repairing obligations and response times) policies and amendments being made to base assumptions within the HRA Business Plan Model to reflect changes in national housing and economic policy. As a result of these changes the working balance is showing surpluses throughout the life of the Business Plan (30 years). These surpluses never dip below £6 million, which are above our minimum working balance of £3million. This means that the HRA will be able to repay its outstanding debt at this point if required to do so.</p>

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2	Data Protection – there is still a significant amount of work required to ensure that the Council will be able to comply with the new European Data Protection Regulations that come in to force from May 2018.	Resources have been allocated to address the weaknesses outstanding. An Information Assurance officer has been appointed.	April 2018	Customers, Commissioning and Change Manager	H	The council has appointed new staff within the Information Assurance team and has developed a clear action plan which will ensure its compliance against the new General Data Protection Regulations which come into force from May 2018. Key milestones in this plan are currently on track.
3	IT Council's IT infrastructure is in need of review to ensure that it is fit for purpose. Although PSN compliance has been achieved there is a need to ensure that this is retained and that IT can successfully support the Council's transformation projects.	The Council has initiated a contractual review of the PPP services and is requesting a 'deep dive' into the ICT service provided by Arvato. Results of the contractual review will be received during the 1 st quarter of 2017 and will inform changes required.	Sept 17	Customers, Commissioning and Change Manager	H	The Council has completed an external review of its ICT service and a three year improvement plan has been developed which will ensure that the Council's ICT infrastructure is fit for purpose. The council has also strengthened its 'intelligent client' function relating to the ICT service, which will aid decision making and best value evaluation. PSN accreditation has been successfully achieved and this will remain in place until January 2019.

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4	Plans to become a full member of the Sheffield City Region Combined Authority have been delayed following a legal challenge from Derbyshire County Council. This has resulted in implementation of the SCR devolution deal being delayed as well as any decision about membership or Mayoral elections.	A further public consultation exercise will be required during 2017. The Council's Chief Executive and Executive Directors will continue to assist and support the SCR with this project to ensure that the best deal is obtained for Chesterfield residents.	March 18	Senior Leadership Team	H	In July 2017, the council altered its resolved position in light of a number of changes. It agreed to continue supporting active non-constituent membership of the SCR Combined Authority rather than full membership, whilst noting that the resulting lack of full access to devolution deals would have a negative impact on communities in Chesterfield. Following further discussion of the devolution proposals at the Sheffield City Region (SCR) Combined Authority, no further public consultation has been conducted during 2017. A mayoral election is scheduled for May 2018, but this will be for a mayor with a remit across the 4 south Yorkshire authorities within SCR, not Chesterfield (or any other non-constituent areas). The council will continue to draw down approved funding from SCR, which includes £11.38m of SCR Infrastructure Fund allocation to date in addition to grants directly to local businesses of at least £1.37m to date and investment in skills programmes. It is also still eligible to bid for funding from current programmes, which includes two successful Housing Fund bids for a total of £3.35m and a further £2.2m bid under consideration.

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5	Non Housing Property Repairs – The previous 10 year plan has not been adhered to, monitored for completion or adjusted as a result of condition surveys. This issue has been carried forward from 2015/16.	Kier has committed to providing additional resource to bring this work back on track as it has continued to be de-prioritised in relation to other work. This is now likely to be used to inform a fuller re-setting of the property repairs fund leading into the budget setting process for 18/19.	February 18	Executive Director	H	A ten year capital maintenance plan is being developed by Kier for the Council's principle assets. The first dozen assets have been assessed and costed for capital works. The plan is undergoing review with further work for the next tranche of assets.

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6	There has been a lack of capacity to ensure that health and safety arrangements are fit for purpose. This is as a result of major projects in 2016/17 such as the town hall restack that has identified asbestos issues and the opening of the Council's new Queens Park Leisure Centre and destruction of the old leisure centre.	The Health and Wellbeing Manager has produced an action Plan to resolve the issues that will be monitored for completion by the Standards and Audit Committee and the Health and Safety Committee.	Sept 17	Health and Wellbeing Manager	H	<p>This issue relates to the Corporate capacity only and therefore doesn't impact on departmental H&S. Some of the actions have been completed, some part completed, and some are uncompleted. The departure of the Health and Wellbeing Manager has added further resourcing pressures.</p> <p>The new Assistant Director with responsibility for this area should start in April 2018.</p> <p>A revised staffing structure, approach to business as usual and an action plan with resource requirements to deliver is being developed, in consultation with Health and Safety reps and will be presented to elected members for consideration during February 2018. This issue and agreed actions should therefore be reviewed subject to the decision taken i.e. March 2018 and again in April 2018 when the Assistant Director is in post.</p>

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7	The Performance Monitoring framework requires embedding	The Policy and Communications Service has now been restructured with resource being identified to embed the framework. Recruitment is taking place at the moment.	End Sept 17	Policy and Communications Manager	M	<p>Quarterly performance monitoring and improvement now in place. This includes challenge at Finance and Performance Board and Overview and Scrutiny Forum.</p> <p>At the half year position 74% of key council plan measures have either been achieved or on target for completion during 2017/18. However progress varied across priority areas with 100% for vibrant economy, 67% for quality of life and 56% for value for money. Draft performance data for Q3 indicates that challenge at Finance and Performance Board and Scrutiny has improved performance again at quarter 3 with particular focus on quality of life and value for money.</p> <p>Management seminar in February 2018 will be focused on the performance golden thread – Council Plan – Service Plan - PDRs to continue to improve performance management in 2018/19.</p>

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8	The Public Private Partnership performance indicators require review to ensure that they focus on what the Council wants to achieve	The review of services within the PPP is currently being scoped. It is intended that the future delivery of the services will be partly defined by the review and therefore any changes to PIs will be considered after that output has been received.	End June 2017	Executive Director	M	The PPP is due to end in 2020. The Council could decide to end the PPP early (with penalties), retain the arrangement until it's natural end, or extend the running of the contract to 2025. The review of the PPP is close to completion and this will inform discussions with Political leadership that will determine the Council's position regarding the future of the PPP. This decision could fundamentally change the requirements of the Council and therefore relevant discussions will take place regarding the P.I.s following that i.e. June 2018.
9	Monitoring arrangements for partnerships require review and update.	The Partnership Strategy is to be reviewed in 2017/18 and significant partnerships re-assessed. Discussions will be held with the new political leadership.	End Sept 2017	Policy and Communications Manager	M	This activity has been paused due to the complexity and pace of change in partnership arrangements at the moment. Horizon scanning activity has been taking place with the political and officer leadership teams to identify next steps.

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10	Procurement – progress has been made during 2016/17 however the procurement Strategy and training still need to be disseminated to staff	The Procurement Strategy is due to be approved by Cabinet in March 2017. Procurement training is to be added to the new E learning system that is in the process of being launched.	End June 2017	Customers, Commissioning and Change Manager	M	Formal adoption of the draft procurement strategy has been paused whilst Chesterfield Council negotiates a change to the scope of their existing procurement contract with the NHS. The strategy will be adopted during the 1 st quarter of 2018/19. A formal review of our procurement contract will be completed during 2018/19