

CHESTERFIELD BOROUGH COUNCIL – ANNUAL GOVERNANCE STATEMENT 2018/19 ACTION PLAN

	Governance Issue	Action Proposed				Annual Governance Statement	
		Description	By Date	Officer	Priority	Yes	No
1	<p>Budget – many budget risks have been identified:-</p> <ul style="list-style-type: none"> • Business rate pooling • Business rate appeals, valuation changes • New homes bonus allocations • ICT savings not being delivered • The outcome of the Governments Fair Funding and changes to business rate funding from 2020/21 is still not clear • Wage and staffing cost pressures • Escalating energy prices and general cost inflation • Achieving income targets for rents, fees, charges and interest • Delivering required budget savings • Outcome of Brexit • Introduction of Universal Credit <p>The Council is forecast to balance the General Fund for 2018/19 with a £161K surplus. The MTFP (5yr) from 2019/20 shows a £202k deficit rising to £1.3m by 2023/24. There is a requirement for £1m in IT transformation savings by 2023/24 otherwise the deficit will be £2.3m. The HRA has projected to have a £21m balance at the end of 2018/19. Then the MTFP shows a closing balance of circa £7m per annum for the next 3 years.</p>	<p>Need to continue to closely manage the Medium Term Financial Plan to ensure that the Council remains of sound financial standing, and to support decisions on the alignment of budgets to enable delivery of the Council's corporate plan.</p> <p>This will be achieved through the established mechanisms for financial planning and reporting:</p> <ul style="list-style-type: none"> • Finance and Performance Board • Corporate Cabinet and CMT workshops • Monthly budget monitoring reports to service managers • Quarterly budget monitoring reports to the Council, Cabinet and Scrutiny Forum • Quarterly Assistant Director meetings with finance on budgets • CMT delivering savings and income growth • Regular dialogue with the trade unions <p>Further savings and income generation plans are ongoing.</p>	Ongoing	Director of Finance and Resources / SLT / CMT	H	√	

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2	Non Housing Property Repairs – detailed condition surveys have been undertaken for 11 major assets and have been reviewed by Kier. A second tranche of 8 Council assets is currently being reviewed. Only large assets owned by the Council are being assessed. The risk to the Council is that a large number of assets will require substantial future property repairs spend which may not be budgeted for.	As the costs become clearer decisions will be required to rationalise poor quality assets, increase contribution to the property repairs fund or to borrow for major capital repairs.	Ongoing	Director of Finance and Resources	H	√	

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3	Workforce Capacity and capability – Ongoing budget challenges and service demands mean that the Council will need continue to manage workforce capacity and capability. In 2018/19 both Executive Directors and the Assistant Director of Housing have left the Council leaving a capacity issue at SLT/CMT level.	The vacancies at SLT / CMT level have been advertised. SLT and CMT will review the impact of new workloads and projects to determine priorities and direct resources. Vacancy control processes are in place, allowing the Council to review and determine whether vacancies should be filled. Individual performance, capacity and capability will continue to be closely monitored through the half yearly performance reviews and training and development plans are in place to address capability gaps. A ‘people’ plan, which is aligned to the workforce strategy is being developed and will be implemented in 2019/20.	Ongoing	SLT / CMT / HR	H	√	

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4	ICT - A comprehensive ICT Improvement Plan has been approved and is now in its implementation stage. Until completion there is still the risk that the Council's IT systems are not fully fit for purpose or that the savings identified will not be achieved	The implementation of the approved IT Improvement Plan will be closely monitored and reported upon.	Ongoing	Assistant Director – Customers, Commissioning and Change	M		×
5	Health and Safety – A Health and Safety Recovery Plan has been developed and progress against this is being monitored on a regular basis. Until the recovery plan is fully implemented there remain risks to the Council.	Progress against the Health and Safety Recovery Plan will continue to be monitored by the Corporate Health and Safety Group and reported to the Health and Safety Committee.	Ongoing	Assistant Director – Health and Wellbeing	M		×

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6	Procurement – There is a 3 year procurement plan in place to ensure that all of the Council’s processes are robust from start to finish and that value for money is being obtained. A lot more work is still required to ensure that the Council can demonstrate that the tendering and letting of contracts is in line with EU Regulations, Financial Regulations and Standing Orders.	The Council is looking to extend its procurement contract with the NHS for at least 2019/20. Other options will be explored in 2019 if the NHS contract does not offer VFM. Contract discussions are ongoing hopefully for completion in early 2019. The Council’s contract registers will be brought fully up to date in order that the Council is in a better position to understand its procurement requirements. Staff training and development will be further developed in 2019.	Ongoing	Director of Finance and Resources / Assistant Director – Customers, Commissioning and Change / CMT	M		×