

Public Document Pack

PLEASE NOTE:

This is not a virtual meeting and will be held in the Council Chamber, Mill Lane.



**North East
Derbyshire**
District Council

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Date: Tuesday, 20 July 2021

To: **All Members of the Audit & Corporate Governance Scrutiny Committee**

Please attend a meeting of the Audit & Corporate Governance Scrutiny Committee to be held on **Wednesday, 28 July 2021 at 3.00 pm in the Council Chamber**, District Council Offices, 2013 Mill Lane, Wingerworth, Chesterfield, S42 6NG.

Yours sincerely

A handwritten signature in cursive script that reads "Sarah Steuberg".

Joint Head of Corporate Governance and Monitoring Officer

Conservative Group	Labour Group	Liberal Democrat Group
Cllr W Armitage Cllr S Clough Cllr M Roe Cllr K Tait Cllr M E Thacker	Cllr N Barker Cllr P R Kerry Cllr G Morley	Cllr R Shipman

AGENDA

1 Apologies for Absence

2 Declarations of Interest

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

3 Minutes of Last Meeting (Pages 4 - 7)

To approve as a correct record and the Chair to sign the Minutes of the Audit and Corporate Governance Scrutiny Committee held on 28 April 2021.

- 4 **Audit Progress Report - Mazars** (Pages 8 - 21)
- 5 **Report of the Internal Audit Consortium Manager**
- a. **Internal Audit Consortium Summary of Progress on the 2020/21 Internal Audit Plan** (Pages 22 - 27)
- 6 **Report of the Information, Engagement and Performance Manager**
- a. **Performance Management - Quarter 1** (Pages 28 - 63)
- 7 **Report of the Director of Corporate Resources and Head of Paid Service**
- a. **Risk Management** (Pages 64 - 86)
- 8 **Report of the Head of Finance and Resources and Section 151 Officer**
- a. **Finance Management Code** (Pages 87 - 91)
- b. **Financial Outturn 2020-21** (Pages 92 - 116)
- c. **Corporate Debt Q1 2021-2022** (Pages 117 - 123)
- 9 **Report of the Head of Corporate Governance and Monitoring Officer**
- a. **Corporate Work Programme 2021-2022** (Pages 124 - 129)
- 10 **Forward Plan of Executive Decisions**

To consider the Forward Plan of Executive Decisions. The most up-to-date Forward Plan of Executive Decisions can be accessed via the following link:

<https://democracy.ne-derbyshire.gov.uk/mgListPlans.aspx?RPId=1137&RD=0&bcr=1>

- 11 **To consider any other items which the Chair is of the opinion should be considered as a matter of urgency.**
- 12 **Date of Next Meeting**

The next meeting of the Audit and Corporate Governance Scrutiny Committee is scheduled to take place on 22 September 2021.

- 13 **Exclusion of Public**

The Chair to move:-

That the public be excluded from the meeting during the discussion of the following item of business to avoid the disclosure to them of exempt information as defined in Paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006).

14 **Sharley Park Leisure Centre** (Pages 130 - 146)

Report of the Portfolio Holder for Leisure, Transformation and Climate Change.

 <p>North East Derbyshire District Council</p>	<p><i>We speak your language</i></p> <hr/>	<p>Spanish <i>Hablamos su idioma</i></p> <hr/>	<p>If you require this agenda in large print or another format please call us on 01246 217753</p>
<p>Polish <i>Mówimy Twoim językiem</i></p> <hr/>	<p>Slovak <i>Rozprávame Vaším jazykom</i></p> <hr/>		
<p>French <i>Nous parlons votre langue</i></p> <hr/>	<p>Chinese 我们会说你的语言</p> <hr/>		

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AUDIT & CORPORATE GOVERNANCE SCRUTINY COMMITTEE

MINUTES OF MEETING HELD ON WEDNESDAY, 28 APRIL 2021

Present:

Councillor Martin E Thacker MBE JP (Chair) (in the Chair)
Councillor Stephen Clough (Vice-Chair)

Councillor William Armitage
Councillor Pat Kerry
Councillor Michael Roe

Councillor Nigel Barker
Councillor Gerry Morley
Councillor Ross Shipman

Also Present:

J Kenyon	Portfolio Holder for Leisure, Transformation & Climate Change
L Hickin	Joint Director of Corporate Resources and Head of Paid Service
J Dethick	Head of Finance and Resources, Section 151 Officer
S Sternberg	Joint Head Of Service - Corporate Governance & Monitoring Officer
J Williams	Internal Audit Consortium Manager
N Calver	Governance Manager
D Stanton	Governance Officer
A Bashir	Improvement Officer
M Broughton	Joint Head of Transformation and Organisation
K Drury	Information Engagement & Performance Manager

AUD/ Apologies for Absence

1/21-

22 No apologies for absence were received.

AUD/ Declarations of Interest

2/21-

22 Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest, not already on their register of interests, in any item on the agenda and withdraw from the meeting at the appropriate time.

Councillor S Clough declared an interest in item 12a – Killamarsh Sports Centre, and advised that he would withdraw from the meeting at the appropriate time.

AUD/ Minutes of Last Meeting

3/21-

22 RESOLVED – That the Minutes of the Audit & Corporate Governance Scrutiny Committee held on 10 February 2021 be approved as a correct record and signed by the Chair, subject to a clarification in the attendance that Councillor P Kerry was present.

AUD/ Audit Strategy Memorandum - Year Ending 31 March 2021

4/21-

22 The Committee welcomed Mark Surridge (Mazars) to the meeting to present the Audit Strategy Memorandum for North East Derbyshire District Council for the year ending 31 March 2021.

RESOLVED – That the update be noted.

AUD/ 5/21-22 **CIPFA Fraud and Corruption Tracker Survey Results 2020**

The Internal Audit Consortium Manager presented a report which informed Members of the results of CIPFA's Fraud and Corruption Tracker (CFaCT) survey undertaken in 2020 that provided a picture of fraudulent activity in local government. The report also detailed the level of fraud detected at North East Derbyshire District Council (NEDDC) in 2019/20, and the controls and procedures that NEDDC had in place to mitigate the risk of fraud.

Members discussed fraudulent activity, and the potential for it to happen at the Authority. The Internal Audit Consortium Manager informed the Committee that she would report the results arising from the National Fraud Initiative matches investigated by NEDDC to a future meeting

RESOLVED –

- (1) That the results of CIPFA's Fraud and Corruption Tracker Survey be noted.
- (2) To note that no fraud was detected by NEDDC in 2019/20.
- (3) That the fraud prevention measures that NEDDC has in place be noted.

AUD/ 6/21-22 **Internal Audit Consortium Progress Report on the 2020/21 Internal Audit Plan**

Members were presented with a report which outlined progress made by the Internal Audit Consortium in respect of the 2020/21 Internal Audit Plan.

The Committee discussed Council Tax and Housing Benefit related fraud. It was noted that audits of Council Tax and Housing Benefit would take place in 2021/22.

RESOLVED – That the report be noted.

AUD/ 7/21-22 **Internal Audit Plan 2021/22**

Members were asked to consider and agree the Internal Audit Plan for 2021/22.

The Committee noted that the 2020/2021 Plan was not fully complete due to implications from the Covid-19 Pandemic. Members had a wide ranging discussion on the 2020/2021 Plan, which included days allocated to investigate fraud and corruption, staff recruitment and business grants. It was agreed that the new arrangements in relation to refuse collections would be added to the plan.

RESOLVED – That

- (1) The Internal Audit Plan be agreed
- (2) It be noted that the Plan is provisional and may need adjusting and prioritising in light of any emerging risks.

AUD/ **Council Targets Performance Report - Quarter 4**

**8/21-
22**

The Information, Engagement and Performance Manager was present at the meeting to report the Quarter 4 outturns for the Council Plan 2019-23 targets.

Members heard that out of the 81 targets, 39 (48%) were on track, 21 (25%) had been affected by Covid-19, 4 (5%) had been achieved (1 behind target date), 2 (2%) were overdue, 1 (1%) had failed in 2020/21, 1 (1%) had not started, and 13 (16%) had been achieved previously.

The Committee discussed Planning Enforcement and Covid-19 affected targets.

RESOLVED – That quarterly outturns against the Council Plan 2019-23 be noted.

AUD/ **Corporate Debt Quarter 4**

**9/21-
22**

The Head of Finance and Resources and Section 151 Officer presented a report which outlined a summary of the corporate debt position at 31 March 2021.

RESOLVED – That the Audit and Corporate Governance Scrutiny Committee note the report concerning the Council's corporate debt position as at 31 March 2021.

At this point, Councillor N Barker left the meeting.

AUD/ **Ethical Investments**

**10/2
1-22**

The Head of Finance and Resources and Section 151 Officer presented a report which updated Members on ethical fund management.

The Committee noted that a Bank of England report on ethics was due to be released later in the year. Members requested that ethical investments be brought back to the Committee at a future meeting following the outcome of BoE review.

RESOLVED – That –

- (1) The Audit and Corporate Governance Scrutiny Committee note the report on ethical fund management.

- (2) The Committee consider undertaking a further review following the outcome of the results from the Bank of England's biennial review later this year.
- (3) The Committee receives a report in Q3 in regards to ethical fund management and ESG factors.

AUD/ Forward Plan of Executive Decisions

11/2

1-22 AGREED – That the Forward Plan of Executive Decisions be noted.

AUD/ Matters of Urgency

12/2

1-22 There were no urgent items discussed at this meeting.

AUD/ Date of Next Meeting

13/2

1-22 The next meeting of the Audit and Corporate Governance is scheduled to take place on 28 July 2021.

AUD/ Exclusion of Public

14/2

1-22 RESOLVED –

That the public be excluded from the meeting during the discussion of the following item of business to avoid the disclosure to them of exempt information as defined in Paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972, (as amended by the Local Government (Access to Information) (Variation) Order 2006).

AUD/ Killamarsh Leisure Centre

15/2

1-22 *At this point, Councillor S Clough withdrew from the meeting.*

The Committee was presented with a report that provided an overview of the work and decision taken regarding Killamarsh Leisure Centre. The Portfolio Holder for Leisure, Transformation and Climate Change, and the Joint Head of Transformation and Organisation were both present at the meeting to answer questions from Members.

RESOLVED – That –

- (1) The report be noted.
- (2) That the Committee receive periodic reports on the progress of Killamarsh Leisure Centre.

Audit progress report

North East Derbyshire District Council

July 2021



1. Audit progress
2. National publications

01

Section 01: **Audit progress**

Audit progress

Purpose of this report

This report provides the Audit and Corporate Governance Scrutiny Committee meeting of 28 July 2021 with a short update on progress in delivering our responsibilities as your external auditors and also includes, at Section 2, a summary of recent relevant reports and publications for your information.

2020/21 audit

Our Audit Strategy Memorandum for 2020/21 to the Committee in April included the outline timetable below for the planned work. In this quarter we are carrying out the fieldwork audit work on the 2020/21 financial statements, with the main on-sight audit work due to start 26 July 2021. There are no changes from the planned approach or significant matters arising to date to report to you at this stage of the audit. We still expect to report our audit findings to the Committee's September meeting through our Audit Completion Report and to be able to issue our audit opinion shortly after the meeting. The specific timing is subject to, amongst other things, the timing of the assurances requested from the Derbyshire Pension Fund auditor (expected early September 2021). We will keep management informed as the audit work progresses.

It is likely that we will report on VFM at a later date, in accordance with the revised guidance issued by the NAO in April 2021, and explained on page 13 of this report. There are no further matters to report to the Committee at this stage in relation to the Value for Money assessment.

Planning – January/February

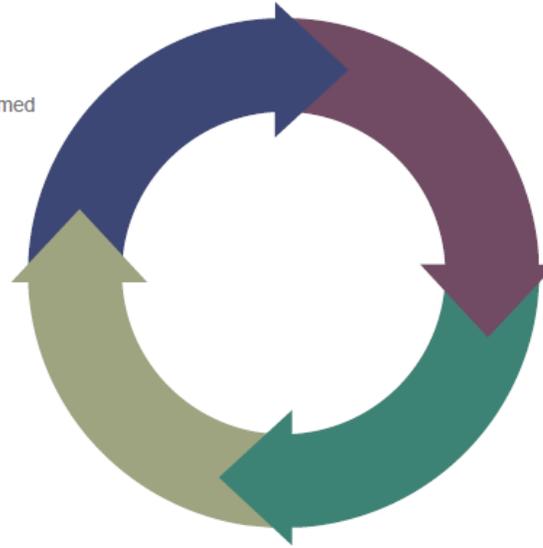
- Planning visit and developing our understanding of the Council
- Initial opinion and value for money risk assessments
- Considering proposed accounting treatments and accounting policies
- Developing the audit strategy and planning the audit work to be performed
- Agreeing timetable and deadlines
- Preliminary analytical review

Completion – September**

- Final review and disclosure checklist of financial statements
- Final partner review
- Agreeing content of letter of representation
- Reporting to the Audit and Corporate Governance Scrutiny Committee
- Reviewing subsequent events
- Signing the auditor's report

* Specific dates TBC

** Completion subject to, amongst other things, the timely provision of information by third parties and us being able to fully complete the audit procedures to the required quality standards



Interim – February/March

- Documenting systems and controls
- Performing walkthroughs
- Interim controls testing including tests of IT general controls
- Early substantive testing of transactions
- Reassessment of audit plan and revision if necessary

Fieldwork – July to August*

- Receiving and reviewing draft financial statements
- Reassessment of audit plan and revision if necessary
- Executing the strategy starting with significant risks and high risk areas
- Communicating progress and issues
- Clearance meeting

02

Section 02: **National publications**

National publications

	Publication/update	Key points
Chartered Institute of Public Finance and Accountability (CIPFA)		
1.	Capital Strategy Guidance: A Whole Organisation Approach	Publication aims to support continuous improvement and includes a checklist.
2.	Successful Collaborations in the Public Services: the role of internal audit	Guide for internal auditors reviewing 'collaborations', but also of use to a wider audience given increased joint working.
3.	CIPFA Bulletin 09: Closure of the 2020-21 Financial Statements, 30 April 2021	This bulletin provides guidance for local government bodies on a range of issues that may need to be considered as part of their 2020-21 accounts preparation.
Ministry of Housing, Communities and Local Government (MHCLG)		
4.	Update to audit review response	New powers for Audit, Reporting and Governance Authority on local government audit. Public Sector Audit Appointments is reconfirmed as appointing body for audit procurement and contract management.
5.	Methodology for allocating £15 million to local bodies and review of Appointing Person regulations	Consultations were held on allocation of the funds.
National Audit Office (NAO)		
6.	Initial learning from the government's response to the COVID-19 pandemic	Latest NAO report on learning from the government response to the pandemic.
7.	Framework to review programmes update	Framework for reviewing major programmes, along with examples of what 'good' looks like.
8.	NAO Updated Guidance for Auditors, April 2021	Revised guidance for VFM arrangements work under the new Code of Audit Practice, including extended deadlines, and updated guidance on consideration of going concern in the public sector context.

NATIONAL PUBLICATIONS

CIPFA

1. Capital Strategy Guidance: A Whole Organisation Approach, May 2021

This guidance focuses on a whole organisation approach to prudent, sustainable and resilient local government investment.

The development of capital strategies has been challenging and difficult to implement fully and it is clear from the examples examined that there is still room for improvement for all local government organisations. The intention of this capital strategy guidance is to learn from what has been achieved to date and to support local government organisations with continuous improvement and refresh. CIPFA has identified areas for improvement that may help in the form of a checklist.

This guidance has been brought to life by including points to consider and extracts from capital strategies reported in 2020, although CIPFA recognises that most were published prior to the more serious impact of COVID-19.

<https://www.cipfa.org/policy-and-guidance/publications/c/capital-strategy-guidance-a-whole-organisation-approach>

2. Successful Collaborations in the Public Services: the role of internal audit, May 2021

The guide considers key concerns for internal auditors as they become involved in collaborative arrangements including the need for a 'singular' entity; how they can safeguard their independence and how assurance can be co-ordinated across providers. The guide also sets out issues for the internal auditor to review at each stage of the collaborative process to help inform audit scope. The publication covers the following:

- collaborative arrangements – the role of the internal auditor: benefits and barriers;
- pressures to collaborate and emerging models;
- stages of collaboration and the role of the internal auditor at each stage; and
- working with other assurance providers and internal auditors.

The guide draws on the good governance principles set out in the *International Framework: Good Governance in the Public Sector* (CIPFA/IFAC, 2014) throughout. It will assist internal auditors to perform effectively in their roles in relation to collaborations and add value for their entities. It will also be useful for others providing assurance on, or looking to establish, collaborative arrangements, including audit committees, external auditors and chief financial officers. It will also assist those, such as members of the wider governing body, wishing to gain a greater understanding of how internal auditors can assist public service entities in achieving the objectives of collaborative ventures.

<https://www.cipfa.org/policy-and-guidance/publications/s/successful-collaborations-in-the-public-services-the-role-of-internal-audit>

NATIONAL PUBLICATIONS

CIPFA

3. CIPFA Bulletin 09: Closure of the 2020-21 Financial Statements, April 2021

Auditors will wish to be aware that CIPFA have published Bulletin 09: Closure of the 2020-21 Financial Statements. This bulletin provides guidance for local government bodies on a range of issues that may need to be considered as part of their 2020-21 accounts preparation.

Hot topics include accounting for grant funding in the pandemic, accounting for dedicated schools grant deficits and accounting for collection fund surpluses and deficits in 2020/21.

<https://www.cipfa.org/policy-and-guidance/cipfa-bulletins/cipfa-bulletin-09-closure-of-the-202021-financial-statements>

NATIONAL PUBLICATIONS

MHCLG

4. MHCLG – update to audit review response, May 2021

Further measures to help ensure taxpayers get value for money by improving the effectiveness and transparency of local government audit, were announced by the government.

The Audit, Reporting and Governance Authority (ARGA) – the new regulator being established to replace the Financial Reporting Council (FRC) – will be strengthened with new powers over local government audit, protecting public funds and ensuring councils are best serving taxpayers. The new regulator, which will contain a standalone local audit unit, will bring all regulatory functions into one place, to better coordinate a new, simplified local audit framework.

ARGA will continue to act as regulator and carry out audit quality reviews as the FRC does now. It will now also provide annual reports on the state of local audit and take over responsibility for the updated Code of Local Audit Practice – the guidelines councils are required to follow.

The government has confirmed that the Public Sector Audit Appointments (PSAA) will continue as the appointing body for local audit, in charge of procurement and contract management for local government auditors.

<https://www.gov.uk/government/news/government-publishes-update-to-audit-review-response>

5. MHCLG - Methodology for allocating £15 million to local bodies and review of Appointing Person regulations, 20 April 2021

The Ministry of Housing, Communities & Local Government (MHCLG) announced as part of its response to the Redmond Review, that it would provide £15 million in additional funding in 2021/22 towards external audit fees and the development of the proposed new standardised statement of service information and costs. The department carried out a short, four-week consultation, seeking views on the methodology for allocating these funds to local bodies.

<https://www.gov.uk/government/consultations/consultation-on-allocation-of-15-million-to-local-bodies-for-audit/redmond-review-response-changes-to-the-audit-fees-methodology-for-allocating-15-million-to-local-bodies>

Running alongside this, the department carried out a separate six-week consultation on the implementation of changes to the fee setting process for principal bodies set out in the Local Audit (Appointing Person) Regulations 2015. The consultation primarily was seeking views on amending the timescale for setting fee scales, enabling the appointing person to consult on and approve a standardised additional fee, and for such payments to be made in year rather than at the completion of the audit.

<https://www.gov.uk/government/consultations/amendments-to-local-audit-fee-setting-arrangements>

NATIONAL PUBLICATIONS

National Audit Office

6. NAO Report – Initial learning from the government’s response to the COVID-19 pandemic, May 2021

The NAO has recently published its *Initial learning from the government’s response to the COVID-19 pandemic* report, which is part of a programme of work the NAO is undertaking to support Parliament in its scrutiny of government’s response to COVID-19. The report finds that the COVID-19 pandemic has stress-tested the government’s ability to deal with unforeseen events and potential shocks. Government has often acted at unprecedented speed to respond to a virus which has caused dramatic disruption to people’s lives, public service provision and society as a whole. Government had to continue to deliver essential public services, while reprioritising resources to deliver its response to the COVID-19 pandemic and supporting staff to work from home. In its response, Government has had to streamline decision-making, work across departments and public bodies and use a range of delivery structures.

Departments will need to reflect on the lessons learned to ensure that they capitalise on the benefits and opportunities these new ways of working have brought.

This report draws out learning from the reports that the NAO has published to date, as well as other work it has published that covered the COVID-19 pandemic. It sets out this learning across six themes, with a summary shown below:

Risk management

- Identifying the wide-ranging consequences of major emergencies and developing playbooks for the most significant impacts.
- Being clear about risk appetite and risk tolerance as the basis for choosing which trade-offs should be made in emergencies.

Transparency and public trust

- Being clear and transparent about what government is trying to achieve, so that it can assess whether it is making a difference.
- Meeting transparency requirements and providing clear documentation to support decision-making, with transparency being used as a control when other measures, such as competition, are not in place.
- Producing clear and timely communications.

NATIONAL PUBLICATIONS

National Audit Office

6. NAO Report – Initial learning from the government’s response to the COVID-19 pandemic, May 2021 (continued)

Data and evidence

- Improving the accuracy, completeness and interoperability of key datasets and sharing them promptly across delivery chains.
- Monitoring how programmes are operating, forecasting changes in demand as far as possible, and tackling issues arising from rapid implementation or changes in demand.
- Gathering information from end-users and front-line staff more systematically to test the effectiveness of programmes and undertake corrective action when required.

Coordination and delivery models

- Ensuring that there is effective coordination and communication between government departments, central and local government, and private and public sector bodies.
- Clarifying responsibilities for decision-making, implementation and governance, especially where delivery chains are complex and involve multiple actors.
- Integrating health and social care and placing social care on an equal footing with the NHS.
- Balancing the relative merits of central, universal offers of support against targeted local support.

Supporting and protecting people

- Understanding to what extent the pandemic and government’s response have widened inequalities, and taking action where they have.
- Providing appropriate support to front-line and other key workers to cope with the physical, mental and emotional demands of responding to the pandemic.

Financial and workforce pressures

The NAO will continue to draw out learning from the government’s response to the pandemic in its future work.

<https://www.nao.org.uk/wp-content/uploads/2021/05/Initial-learning-from-the-governments-response-to-the-COVID-19-pandemic.pdf>

NATIONAL PUBLICATIONS

National Audit Office

6. NAO Report – Initial learning from the government’s response to the COVID-19 pandemic, May 2021 (continued)

Financial and workforce pressures

- Placing the NHS and local government on a sustainable footing, to improve their ability to respond to future emergencies.
- Ensuring that existing systems can respond effectively and flexibly to emergencies, including provision for spare or additional capacity and redeploying staff where needed.
- Considering which COVID-19-related spending commitments are likely to be retained for the long term, and what these additional spending commitments mean for long-term financial sustainability.

The NAO will continue to draw out learning from the government’s response to the pandemic in its future work.

<https://www.nao.org.uk/wp-content/uploads/2021/05/Initial-learning-from-the-governments-response-to-the-COVID-19-pandemic.pdf>

7. NAO report - Framework to review programmes update April 2021

This NAO publication sets out updated questions to assess how well programmes are delivered and to highlight the risks a programme faces. Although designed for an audit approach, project professionals and those reviewing programmes may find these questions useful to challenge themselves about how well a programme is being delivered.

The framework comprises 18 key questions grouped into the four elements the NAO considers when it audits programmes:

- Purpose: need for programme, portfolio management and dependencies, stakeholder engagement.
- Value: options appraisal, business case, costs and duration, benefits.
- Set-up: governance and assurance, leadership and culture, delivery resources, putting the programme into practice, risk management
- Delivery and variation management: delivery strategy, change control, responding to external change, performance management, lessons learned, transition to business as usual.

<https://www.nao.org.uk/report/framework-to-review-programmes-update-april-2021/>

NATIONAL PUBLICATIONS

National Audit Office

8. NAO Updated Guidance for Auditors, April 2021

In April 2021, the Comptroller and Auditor General (C&AG) approved and published updated auditor guidance:

Auditor Guidance Note 03 (AGN 03) - Auditors' Work on Value for Money Arrangements. This has been updated to enable auditors to give their opinion on the financial statements if they have not yet completed all their VFM arrangements work (where there is no material impact on the opinion), including the approach to reporting any further issues if necessary by exception when auditors issue their certificate. The AGN also introduced revised deadlines for the Auditor's Annual Report, which includes the new commentary on VFM arrangements, of up to 3 months after issuing the audit opinion.

Auditor Guidance Note 07 (AGN 07) – Auditor Reporting. This was updated to bring it into line with AGN 03 as above.

Supplementary Guidance Note 01 (SGN 01) - Going Concern – Auditors' responsibilities for local public bodies. The SGN focus is primarily on *Practice Note (PN) 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2020)*, setting an expectation that auditors will follow the approach it sets out. This recognises that going concern in the public sector context includes the concept of the 'continued provision of services' and the legislative basis for public services, which means that the circumstances that will give rise to a material uncertainty in going concern are relatively limited and rare, and would normally require legislative changes. This view is also reflected in the CIPFA Code, which recognises that the financial statements are prepared on a going concern basis.

The NAO guidance does, however, highlight the wider issue of financial sustainability and funding for public services. Management will still need to undertake a going concern assessment, and disclose an appropriate narrative within its financial statements in relation to the impact of the pandemic and pressures on funding, and disclose any potential material uncertainties should they exist.

All of the NAO auditor guidance is publicly available at this link: <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>

Contact

Mazars

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Senior Manager: Mike Norman

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

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North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

28th July 2021

Internal Audit Consortium Summary of Progress on the 2020/21 Internal Audit Plan

Report of the Internal Audit Consortium Manager

Classification: This report is public

Report By: Internal Audit Consortium Manager

Contact Officer: Jenny.Williams@ne-Derbyshire.gov.uk

PURPOSE / SUMMARY

To present, for members' information, progress made by the Internal Audit Consortium in respect of the 2020/21 Internal Audit Plan.

RECOMMENDATIONS

1. That the report be noted.

Approved by the Portfolio Holder – Councillor Paul Parkin

IMPLICATIONS

Finance and Risk: Yes No

Details:

Internal audit reviews help to ensure that processes and controls are operating effectively thereby contributing to ensuring that value for money is obtained.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

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 the Public Sector Internal Audit Standards or guidance”.

On Behalf of the Solicitor to the Council

Staffing: Yes No
Details:

Click here to enter text.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input checked="" type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details: Ward Members

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

Internal audit reviews help to ensure that the Council is delivering high quality, cost effective services.

REPORT DETAILS

1 **Background**

- 1.1 The Public Sector Internal Audit Standards require that the Internal Audit Consortium Manager reports periodically to the Audit and Corporate Governance Scrutiny Committee in respect of performance against the audit plan. Significant risk and control issues should also be reported.

2. **Details of Proposal or Information**

- 2.1 Appendix 1 is a summary of reports issued between the 10th April 2021 and the 9th July 2021. The Appendix shows for each report the level of assurance given and the number of recommendations made / agreed where a full response has been received. This provides an overall assessment of the system's ability to meet its objectives and manage risk.
- 2.2 Appendix 2 details the definitions in respect of the assurance levels used currently and those used prior to April 2017 for comparison in order that the direction of travel of an audited area can be monitored.
- 2.3 In this period 3 reports have been issued all with reasonable assurance.
- 2.4 Reports are issued as Drafts with five working days being allowed for the submission of any factual changes, after which time the report is designated as a Final Report. Fifteen working days are allowed for the return of the Implementation Plan.
- 2.5 It is confirmed that no issues arising relating to fraud have been identified.
- 2.6 The Internal Audit Consortium annual report for 2020/21 will be brought to the next meeting.
- 2.7 Work is now underway on the 2021/22 Internal Audit plan and progress on this will be reported at the next meeting.

3 **Reasons for Recommendation**

- 3.1 To inform Members of progress on the 2020/21 Internal Audit Plan and to provide details of the Audit Reports issued to date.
- 3.2 To comply with the requirements of the Public Sector Internal Audit Standards.

4 **Alternative Options and Reasons for Rejection**

- 4.1 None

DOCUMENT INFORMATION

Appendix No	Title
Appendix 1	Summary of Internal Audit reports issued in respect of the 2020/21 Internal Audit Plan between the 10th April 2021 and the 9th July 2021
Appendix 2	Definition of assurance and control levels
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Click here to enter text.	

NORTH EAST DERBYSHIRE DISTRICT COUNCIL

Appendix 1

Internal Audit Consortium - Report to Audit and Corporate Governance Scrutiny Committee

Summary of Internal Audit Reports Issued 10th April 2021 – 9th July 2021

Report Ref No.	Report Title	Scope and Objectives	Assurance Provided	Previous Control Level	Date		Number of Recommendations	
					Report Issued	Response Due	Made	Accepted
N017	Social Media	To ensure that there are policies and procedures in place and that the use of social media is monitored and appropriate	Reasonable	Marginal	12/5/21	3/6/21	6 (4M 2L)	6
N018	Network Security and Policies	To ensure that there are appropriate IT policies in place and to review network security.	Reasonable	Substantial	29/6/21	20/7/21	3 (2M 1L)	Note 1
N019	Planning Processes and Procedures	To review the Planning processes and procedures in place particularly in relation to appeals	Reasonable	N/A	5/7/21	26/7/21	3M	Note 1

Note 1 – Response not due at time of writing report

H = High Priority M = Medium Priority L = Low Priority

Current Assurance Levels

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

:

Control levels that were used until end March 17

Control Level	Definition
Good	A few minor recommendations (if any).
Satisfactory	Minimal risk; a few areas identified where changes would be beneficial.
Marginal	A number of areas have been identified for improvement.
Unsatisfactory	Unacceptable risks identified, changes should be made.
Unsound	Major risks identified; fundamental improvements are required.

North East Derbyshire Council

Audit and Corporate Governance Scrutiny Committee

28th July 2021

Council Plan Targets Performance Update April to June 2021

(Q1 – 2021/22)

Report of the Information, Engagement & Performance Manager

Classification: This report is public

Report By: Kath Drury, Information, Engagement and Performance Manager

Contact Officer: Kath Drury, Information, Engagement and Performance Manager

PURPOSE / SUMMARY

To report the Quarter 1 outturns for the Council Plan 2019-2023 targets.

Out of the 81 targets:

- 50 (61%) are on track
 - 10 (13%) have been affected by Covid 19
 - 2 (3%) Achieved
 - 3 (4%) are overdue
 - 1 (1%) has not started
 - 15 (19%) achieved previously
-

RECOMMENDATIONS

1. That quarterly outturns against the Council Plan 2019-2023 targets be noted.

Approved by Cllr Thacker – Chair Audit and Governance Scrutiny

IMPLICATIONS

Finance and Risk: Yes No

Details:

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Cabinet Members/SAMT informed on route via the quarterly performance meeting Details: Ward Members

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

All

REPORT DETAILS

1 Background

1.1 The attached appendix contains the performance outturn as of 31st June 2021.

2. Details of Proposal or Information

2.1 A summary by council plan aim is provided below:

2.2 **Our Economy - Creating a business friendly District that develops skills and jobs**

- 16 targets in total
- 15 targets are on track
- 1 target is overdue
 - ECO 20 - *Review resources to ensure tourism is a focus of the Economic Development Team by April 2020*

2.3 **Our Environment - Protecting and promoting the character of our District**

- 16 targets in total
- 9 targets are on track
- 1 target Overdue
 - ENV 08 - *Develop a Climate Change Communications Strategy by April 2021*
- 6 targets have been achieved previously (ENV 03 ENV 04 ENV 07 ENV 12 ENV 02 ENV 19)

2.4 **Our Residents – Enhancing our residents’ quality of life**

- 26 targets in total
- 14 targets are on track
- 9 targets have been affected by Covid 19 (RES01, 03, 04 05, 06, 07, 27, 28, 30)
- 3 targets have been achieved previously (RES 10 RES 08 RES 25)

2.5 **Our Services - Delivering high quality, cost effective services by engaging with residents, partners and Council staff**

- 23 targets in total
- 12 targets are on track
- 2 target Achieved
 - SER 01 - *Deliver 22 service reviews by 2021*
 - SER 23 - *Complete the review of Planning Committee processes by 1 May 2020. Complete the implementation of all agreed actions by 1 May 2021.*

- 1 target is overdue:
 - SER 18 - *Review the Council's Petition Scheme by Annual Council 2020*
- 1 targets have been affected by Covid 19 (SER12):
- 1 target not started (SER 17)
- 6 targets achieved previously (SER 07 SER 08 SER 09 SER 10 SER 24 SER 26)

2.6 Details have been provided in the appendix for those at exception including Covid19 affected together with a full council target listing.

3 Reasons for Recommendation

3.1 Out of the 81 targets, 50 (61%) are on track, 10 (13%) have been affected by Covid 19, 2 (3%) have been achieved, 3 (4%) are overdue, 1 (1%) has not started and 15 (19%) have been achieved previously.

3.2 This is an information report to keep Members informed of progress against the council plan targets noting achievements and any areas of concern.

4 Alternative Options and Reasons for Rejection

4.1 Not applicable to this report as providing an overview of performance against agreed targets

DOCUMENT INFORMATION

Appendix No	Title
1	Council Plan Targets Update – Q1 April to June 2021
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
All details on the PERFORM system	

**North East Derbyshire District Council
Council Plan Targets Update – Quarter 1 April to June 2021**

Status key

Target Status	Usage
 On Track	The target is progressing well against the intended outcomes and intended date.
 Achieved	The target has been completed
 Overdue	The target has passed its due date for completion.
 Covid - 19 Affected	Performance affected due to Covid 19 Pandemic

Council plan targets achieved and by exception

Achieved

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Status	Q1 2021/22 Progress Update
SER 01 - Deliver 22 service reviews by 2021	Corporate Resources	Achieved	 The Service Review process was incorporated into the Service Plan process which is now complete.
SER 23 - Complete the review of Planning Committee processes by 1 May 2020. Complete the	Environment <i>Cllr Cupit</i>	Achieved	 All the actions points have been implemented. We are on a whole new set of improvement plan action points, but there is no need to add those to the latest Performance Plan as a future target.

implementation of all agreed actions by 1 May 2021.				
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Overdue

SER 18 - Review the Council's Petition Scheme by Annual Council 2020	Corporate Resources	Overdue		Standards will consider this matter at their meeting in September
ECO 20 - Review resources to ensure tourism is a focus of the Economic Development Team by April 2020	Development <i>Cllr Renwick</i>	Overdue		A new EDU and Housing Strategy structure report has been agreed by Cabinet and needs to go to Full Council on the 12th July. This is to agree to the increase to the Housing Revenue Account budget to accommodate the new roles. The roles have been job evaluated in anticipation of being acceptable and will go out to advert as soon as possible (assuming it is agreed at full council)

Not started

SER 17 - Undertake a biennial customer satisfaction survey	Corporate Resources <i>Cllr Foster</i>	Not started		The Performance Team will produce an options papers once a strategic steer has been received. Currently a review of the corporate consultation post is being undertaken
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COVID Affected

RES 01 - Whist maintaining high quality leisure facilities, reduce the annual subsidy of the leisure service year on year.	Corporate Resources <i>Cllr Kenyon</i>	Covid Affected		Q1 - The Leisure Facilities re-opened on 12th April 2021 following lockdown. COVID restrictions have been in place throughout the 1st quarter and will be relaxed from 19th July. Participation has been good during the period with 118,359 visits recorded. Participation though June identified a 76% return to activity based on figures from 2019 (pre-covid) & income within the facilities is starting to improve. Works continue with the projects at Sharley Park, Eckington Pool and Killamarsh Sports Centre. Works at Eckington pool are expected to start from 16th August (Further updates provided in KPI's). Financial performance/subsidy reduction will be provided at year end/quarter 4.
RES 03 - Increase participation in leisure activities at leisure centres by 5000 visits per year	Corporate Resources <i>Cllr Kenyon</i>	Covid affected		The Leisure Facilities re-opened on 12th April 2021 following lockdown. COVID restrictions have been in place throughout the 1st quarter and will be relaxed from 19th July. Participation has been good during the period with 118,359 visits recorded. Participation though June identified a 76% return to activity based on figures from 2019 (pre-covid). Note the annual target of 745,000 has been reduced to 596,000 to reflect COVID recovery. This is 80% of the original target and realistic for the service to achieve.

RES 04 - Deliver a health intervention for 258 new attendees per year	Corporate Resources <i>Cllr Kenyon</i>	Covid affected		Jan, Feb, March, a temporary suspension due to vulnerability of client group re Covid 19 and closure of our Leisure Centres as part of national Covid 19 lockdown. LC's re-opened mid April, but EBR scheme slow to get back to pre Covid levels due to low numbers of new referral as less people visiting GP's and at risk client group still nervous resuming normal activities. Target Q1 - 64 Actual Q1 - 20
RES 06 - Deliver the 10 week, 560 Lifestyle Programme to at least 12 schools across the District (10,000 students per year)	Corporate Resources <i>Cllr Kenyon</i>	Covid affected		During this period the team have delivered the 10 week lifestyles programme to 5 primary schools over this period with a throughput of 1,095 participants attending the sessions. All though we are currently behind target based on throughput this will balance during coming quarters over the new academic year.
RES 07 - Deliver additional lunch time or after school PE clubs in at least 6 schools per year.	Corporate Resources <i>Cllr Kenyon</i>	Covid affected		Due to school bubbles not all activity as hoped has commenced during this quarter. We are currently delivering in 3 primary schools delivering high quality sport and PE during Lunch Time and After school settings. The throughput of pupils attending these sessions is 2,468 during the first quarter of the year
RES 28 - Recruit 8 physical activities champions per year	Corporate Resources <i>Cllr Alan Powell</i>	Covid affected		To date 0 physical activity champions have been recruited due to being COVID affected. During Q2 we hope to have fully re-engaged back into the Clay Cross community and start to recruit champions that can support physical activity and support those feeling lonely/isolated in the local community

RES 30 - Provide 10 waste, recycling and environmental advice to schools and community events per year	Environment <i>Cllr Cupit</i>	Covid affected		Throughout the April to June no education events have been undertaken due to Covid19 restrictions and schools being on lock-down. However, continued education and awareness raising has been undertaken throughout this period with customers who's burgundy bin collections may have been delayed due to issues of contamination. Given learning priorities at this time and ongoing social distancing requirements, no school events are anticipated in the near future
SER 12 - Ensure that monthly car parking patrols are undertaken outside schools within the District	Environment <i>Cllr Cupit</i>	Covid affected		Patrols and visits to begin again in October 2021 with the new school year, depending on Covid-19 position

Full Council Plan Target Listing

Aim: Our Economy - Creating a business friendly District that develops skills and jobs

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
ECO 02 - Process all major planning applications 10% greater than the National Target per annum.	Environment <i>Cllr Cupit</i>	<p>On track</p> <p>During quarter 1 (2021/2022) 5 major applications were determined with 2 determined within the statutory period. Target 70%. Actual 40%</p> <p>During the current monitoring period 2020/2022 to date 44 major applications have been determined with 38 determined within the statutory period. This represents 86.36%</p>
ECO 03 - Process all minor planning applications 10% greater than the National Target per annum.	Environment <i>Cllr Cupit</i>	<p>On track</p> <p>During the first quarter of 2021/22 182 non major applications have been determined with 145 (86.1%) determined within the statutory period. This represents 60%.</p>
ECO 04 - Increase letting of council owned business premises to achieve and maintain a minimum occupancy level of 95%	Development <i>Cllr Renwick</i>	<p>On track</p> <p>We are currently awaiting the figures to be calculated. This is in part due to staff sickness and leave. We are looking into recruiting temporary staff to relieve some of the work pressures.</p>
ECO 07 - Deliver 3 engagement events annually to support business	Development <i>Cllr Renwick</i>	<p>On track</p> <p>Businesses were invited to promote their vacancies free of charge at the North Derbyshire Job Fair that took place on 26th May 2021 to support them with recruitment. A Higher and Degree Level Apprenticeship webinar was hosted with the University of Derby and a NED business showcased their apprenticeships - to encourage businesses to consider HADL apprenticeships. One participant attended however</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		<p>the webinar was recorded and is being used as a promotional tool.</p> <p>Businesses were invited to promote their vacancies free of charge at the North Derbyshire Job Fair that took place on 27th January 2021 to support them with recruitment</p> <p>A joint event between NEDDC and the East Midlands Chamber took place on 30th Nov to encourage NED businesses to take advantage of the Kickstart scheme and over 20 businesses attended the virtual event.</p>
<p>ECO 09 - Produce a North East Derbyshire Employment and Skills Strategy by January 2021 and deliver the action plan by March 2024</p>	<p>Development <i>Cllr Renwick</i></p>	<p>On track</p> <p>Developing a better understanding of NED business workforce needs. Skills audit work has paused due to lack of initial business engagement in the audit. D2N2 skills audit was also released with a lack of business engagement. Work to re-commence September after businesses have focused on re-opening businesses and the challenges faced with doing this. Gaps in skills provision will be addressed as part of the skills audit. Support businesses with the retention of their workforce. A Higher and Degree Level Apprenticeship on line webinar was held on 25th June in partnership with Derby University. Low attendance, however the webinar was recorded and this will be used as a resource to be included on NEDDC website. A Tourism Officer post is being evaluated.</p>

**Council Plan Target (Target date
31/03/23 unless stated otherwise)**

**Directorate/
Portfolio Holder**

Q1 2021/22 Progress Update

Encourage and support entrepreneurship within the district. An additional business adviser to support new start ups has been recruited via Vision Derbyshire - one full time adviser will be supporting NED, BDC and CBC and will be starting 5th July.

Support businesses with the recruitment of local people. Promotion of Kickstart continues with businesses. An additional virtual job fair took place on 26th May and businesses were invited to promote their vacancies

Support residents in accessing employment support provision. Through partnership working with DCC National Careers Service, additional sessions were introduced in NED to support unemployed residents of all ages. These on line sessions were not taken up and discussions have taken place on ways forward. Residents are having issues with anxiety, low self esteem and isolation and a meeting is to take place in July with the Trent PTS to discuss if more support can be embedded in the district. The Working Communities Project continues to operate in the district and the Community Employment Adviser is facing similar issues with clients not engaging where previously they have been. In addition, Whattsap is being trialled as an additional tool to engage more with clients face to face. A communications and engagement strategy is also being developed in partnership with the communications team with the aim of increasing engagement.

Work with local schools to develop a pipeline of local talent. A low carbon day was planned to take place in June with CBE+, a major employer in Holmewood, for schools to

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		<p>participate in a challenge to find out how the company is reducing their carbon footprint. The timing was problematic for the schools due to catching up with the curriculum following the pandemic and this is being arranged to take place in the next school year. CBE+ are also hosting a Vulcan challenge and schools have been signposted to this opportunity. The Careers Enterprise Company are expanding across the whole of the D2N2 area and a North Derbyshire Careers Hub steering and advisory group is being introduced which NEDDC are being involved in to endorse, support and oversee the North Derbyshire Careers Hub implementation plan, supporting schools to achieve their Gatsby benchmarks. A Start in Derbyshire platform is being launched and NEDDC have the option of having a Start in Derbyshire front page to this platform which is being considered alongside a NEDDC employer/job fair virtual platform.</p>
<p>ECO 13 - Hold 4 events annually to foster effective links with further and higher education establishments</p>	<p>Development <i>Cllr Renwick</i></p>	<p>Derby University and Notts Trent promoting their training offer in the summer issue of the News. A HADL apprenticeship webinar took place on 25th June on line with Derby University. Inspire Design, a Clay Cross business talked about the business benefits of progressing staff through the apprenticeship route. Attendance poor however the webinar was recorded and will be used as a resource to be included on the NEDDC website and on social media</p> <p>All university and the college were engaged with to promote</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		<p>their apprenticeships and other training around NEDDC employment and skills priorities - construction, manufacturing, digital skills in Spring News. This opportunity was taken up by Derby University, Nottingham Trent University and Chesterfield College who all promoted apprenticeships and courses plus there was a special page on digital skills and the opportunities that were available through Chesterfield College including the new Centre of Excellence. Close partnership working continues to take place with the NTU on the development of a local Institute of Technology as does the work around the Skills Hub in Clay Cross with Chesterfield College and Derby University.</p> <p>Discussions have taken place with Chesterfield College, Sheffield Hallam University, Sheffield University, Notts Trent University and Derby University with regards to closer joint working to upskill NED residents, particularly with digital skills and in the sectors of manufacturing and construction. An article on apprenticeships will be in the spring issue of the News and all have been invited to contribute to this. Close partnership working is taking place with NTU on the potential development of a local Institute of Technology focusing on low carbon skills. Partnership working is also taking place with Derby University and</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		Chesterfield College on the development of a skills hub as part of the Clay Cross Town Deal.
ECO 15 - Deliver a bi-annual jobs fair to support jobs and skills	Development <i>Cllr Renwick</i>	<p>On track</p> <p>A further virtual job fair took place on 26th May 2021 with an overall reach of 88627 engagements on facebook/linked in and twitter. Discussions to take place with partners on setting up virtual job fairs every 2 month. Additional Kickstarter job fair took place on 28/6/21 to encourage young people to apply for kickstart job placements as there are nearly 2000 across Derbyshire and a low number of applicants for these positions.</p> <p>Virtual job fair took place on 26th January 2021 The overall stats show a reach of 114,625. The next job fair is being planned and is taking place in May 2021</p> <p>Virtual job fair took place in Sept 20 and there were 45000 engagements with the job fair. The next job fair is being planned and is taking place on the 26th Jan 2021</p>
ECO 16 - Produce a Tourism Strategy by January 2021 and deliver the action plan by March 2024	Development <i>Cllr Renwick</i>	<p>On track</p> <p>The tourism strategy is published on the website and the action plan will be progressed further by the Tourism officer that is intended to join the team. The tourism intern has been progressing some of the actions including the Love</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		Explore App which has been well received and is due to be further rolled out across the District.
ECO 20 - Review resources to ensure tourism is a focus of the Economic Development Team by April 2020	Development <i>Cllr Renwick</i>	Overdue A new EDU and Housing Strategy structure report has been agreed by Cabinet and needs to go to Full Council on the 12th July. This is to agree to the increase to the Housing Revenue Account budget to accommodate the new roles. The roles have been job evaluated in anticipation of being acceptable and will go out to advert as soon as possible (assuming it is agreed at full council)
ECO 21 - Produce a Growth Strategy by January 2021 and deliver the action plan by March 2024	Development <i>Cllr Renwick</i>	On track The Growth strategy is completed and is now published on the website. The action plan is now part of the teams 'day job' and work is underway to deliver the action plan
ECO 25 - Lead on reviews of Town Centres and larger settlements through Government funded programmes such as the One Public Estate, Town Deal and future opportunities	Development <i>Cllr Renwick</i>	On track The final reports of the Eckington & Killamarsh OPE reports have been completed and have been agreed by the OPE project control board. These reports have also been to SAMT Cabinet and the next stage is the development of a Masterplan for Eckington and elements of an Outline Business Case. This information coupled with the Killamarsh report will form a Levelling up Bid in the Autumn. The Clay Cross town deal is progressing and Amion have been appointed to develop the Business Cases to be

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		<p>submitted and then draw down the funding. This work will progress over the next 6 months and then be locally assured, via independent consultants, S151 officer, Town Deal Board and NEDDC Cabinet (as NEDDC is the accountable body for the Town Deal).</p> <p>Work is continuing to progress on the Dronfield Civic space</p>
ECO 29 - Reduce the number of complaints in relation to town centre cleanliness	Environment <i>Cllr Cupit</i>	<p>On track</p> <p>In order to measure performance throughout the 2019\20 and 2020\21 periods, a baseline 12 (1 per month\3 per quarter) target is set to measure performance. However, throughout Q4 'zero' complaints were received.</p>
ECO 30 - Establish and deliver NED Weekly Apprenticeship hour	Environment <i>Cllr Cupit</i>	<p>On track</p> <p>As there has been no business interest in the apprenticeship hour, the day and time of the business hour has been changed to Weds pm and has been promoted in the spring issue of the News</p> <p>This has been established and has been promoted however to date, there has been no interest. This will be promoted again in the second employment and skills newsletter and the spring issue of the News.</p>
ECO 31 - Implement and manage an annual programme of capital	Development	<p>On track</p> <p>We are currently awaiting the figures to be calculated. This is in part due to staff sickness and leave. We are looking</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder		Q1 2021/22 Progress Update
improvements to council owned business premises to attract and retain business clients (Measure by % completion of annual programme)	<i>Cllr Renwick</i>		into recruiting temporary staff to relieve some of the work pressures.
ECO 32 - Increase revenue from business centre meeting bookings by 10% each year to maximise the use of these district facilities (Baseline: 2019/20)	Development <i>Cllr Renwick</i>	On track	We are currently awaiting the figures to be calculated. This is in part due to staff sickness and leave. We are looking into recruiting temporary staff to relieve some of the work pressures.
ECO 33 - Support at least 25 businesses each year through effective signposting and advice	Development <i>Cllr Renwick</i>	On Track	A dedicated business advisor based at D2N2 Growth Hub was appointed in February 2021 and has supported over 70 NEDDC businesses in that time.

Aim: Our Environment - Protecting and promoting the character of our District

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder		Q1 2021/22 Progress Update
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ENV 01 - Adopt a Local Plan and associated policies	Environment Cllr Cupit	On track	Inspectors Final Report expected by beginning of August. Adoption of Plan in Autumn 2021.
ENV 05 - Deliver 2 proactive planning enforcement exercises per year	Environment <i>Cllr Cupit</i>	On track	The Enforcement Team continue to work proactively on all enforcement as resources allow. As reported previously this target has not been achieved for 2020/21.
ENV 06 - Reduce the District Council's carbon emissions by - 125 tonnes CO2 in 21/22 -	Corporate Resources <i>Cllr Kenyon</i>	On track	Through a number of projects such as LED lighting improvements, variable speed drive installation, agile/home working (50% of the time), pool cover, EWI installation and renewable electricity tariff, the forecast carbon reduction is in excess of 850 tonnes, achieving the combined 20/21, 21/22, 22/23 target. We are now in the process of reviewing the data and policies to inform a revision to the carbon reduction strategy.
ENV 08 - Develop a Climate Change Communications Strategy by April 2021	Corporate Resources <i>Cllr Powell/ Cllr Kenyon</i>	Overdue	Discussions taking place with Cllr Kenyon and added new inclusions (June). To be designed and discussed at future climate change meeting. Wider comms work focussed on positive PR - Eckington investment / Carbon reducing measures set to start Summer 2021. Support with PR on LAD bid for Government funding. Social media and The

			NEWS promotion of do it online forms, GB Spring Clean and environmental digital campaigns.
ENV 09 - Develop and deliver 2 climate change community information events per year	Corporate Resources <i>Cllr Kenyon</i>	On Track	Climate Change Community Information content is being planned as part of the NEDDC Meet the Council events which are currently being scheduled for the Autumn and Spring.
ENV 10 - Deliver 1 climate change training event for Parish Councils per year	Corporate Resources <i>Cllr Kenyon</i>	On Track	The annual session led by the Home Improvement Co-ordinator will be held at the DPLG in March 2022.
ENV 13 - Increase the number of fixed penalty notices issued for litter and dog fouling offences by 20% by 2023 (Baseline: 2019/20)	Environment <i>Cllr Cupit</i>	On Track	In Q1 4 fixed penalty notices issued. On target to meet the objective following resumption of targeted community based patrols.
ENV 14 - Undertake 15 litter picks and Love Where You Live initiatives per year	Environment <i>Cllr Cupit</i>	On Track	In Q1 4 patrols undertaken. On target to meet the objective following resumption of targeted community based patrols.
ENV 16 - Measure %age of all reports of fly-tipping referred for investigation to be	Environment <i>Cllr Cupit</i>	On Track	Q1 94% of all reports of fly-tipping referred for investigation were responded to within 3 working days .

responded to within 3 working days (set baseline in 19/20 for 20/21 onwards)			
ENV 17 - Measure %age of cases of waste crime (Duty of Care and fly-tipping) where sufficient evidence to prosecute has been identified, are progressed to legal services, with a prosecution file, within 60 days (set baseline in 19/20 for 20/21 onwards)	Environment <i>Cllr Cupit</i>	On Track	100% of cases of waste crime (Duty of Care and fly-tipping) where sufficient evidence to prosecute have been identified and progressed to legal services, with a prosecution file, within 60 days. 1 case in Q1

Aim: Our Residents - Enhancing our residents' quality of life

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder		Q1 2021/22 Progress Update
RES 01 - Whist maintaining high quality leisure facilities, reduce the annual subsidy of the leisure service year on year.	Corporate Resources <i>Cllr Kenyon</i>	Covid Affected	Q1 - The Leisure Facilities re-opened on 12th April 2021 following lockdown. COVID restrictions have been in place throughout the 1st quarter and will be relaxed from 19th July. Participation has been good during the period with 118,359 visits recorded. Participation though June identified a 76% return to activity based on figures from 2019 (pre-covid) & income within the facilities is starting to improve. Works continue with the projects at Sharley Park, Eckington Pool and Killamarsh Sports Centre. Works at Eckington pool are expected to start from 16th August (Further updates provided in KPI's).

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		Financial performance/subsidy reduction will be provided at year end/quarter 4.
RES 02 - Run 12 community initiatives per year	Corporate Resources <i>Cllr Kenyon</i>	On Track Q1 - To date the team have launched four new initiatives during this quarter Book Club via our Walking into Communities officer 31 participants Love Exploring launch at Sharley Park 74 participants Love Exploring launch at Kenning Park 96 participants Scavenger Hunt at Kenning Park 78 participants 279 participants at four community event launches
RES 03 - Increase participation in leisure activities at leisure centres by 5000 visits per year	Corporate Resources <i>Cllr Kenyon</i>	Covid affected The Leisure Facilities re-opened on 12th April 2021 following lockdown. COVID restrictions have been in place throughout the 1st quarter and will be relaxed from 19th July. Participation has been good during the period with 118,359 visits recorded. Participation though June identified a 76% return to activity based on figures from 2019 (pre-covid). Note the annual target of 745,000 has been reduced to 596,000 to reflect COVID recovery. This is 80% of the original target and realistic for the service to achieve.
RES 04 - Deliver a health intervention for 258 new attendees per year	Corporate Resources	Covid affected Jan, Feb, March, a temporary suspension due to vulnerability of client group re Covid 19 and closure of

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
	Cllr Kenyon	our Leisure Centres as part of national Covid 19 lockdown. LC's re-opened mid April, but EBR scheme slow to get back to pre Covid levels due to low numbers of new referral as less people visiting GP's and at risk client group still nervous resuming normal activities. Target Q1 - 64 Actual Q1 - 20
RES 05 - Deliver the PALS service to 40 residents per year and report on the socio economic and health benefits	Corporate Resources Cllr Kenyon	Covid affected PALS service has been COVID affected however the officer is still supporting 3 active clients via the scheme
RES 06 - Deliver the 10 week, 560 Lifestyle Programme to at least 12 schools across the District (10,000 students per year)	Corporate Resources Cllr Kenyon	Covid affected During this period the team have delivered the 10 week lifestyles programme to 5 primary schools over this period with a throughput of 1,095 participants attending the sessions. All though we are currently behind target based on throughput this will balance during coming quarters over the new academic year.
RES 07 - Deliver additional lunch time or after school PE clubs in at least 6 schools per year.	Corporate Resources	Covid affected Due to school bubbles not all activity as hoped has commenced during this quarter. We are currently

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update	
	<i>Cllr Kenyon</i>		<p>delivering in 3 primary schools delivering high quality sport and PE during Lunch Time and After school settings.</p> <p>The throughput of pupils attending these sessions is 2,468 during the first quarter of the year</p>
RES 09 - Deliver the Corporate Communications Strategy Action Plan by 2023	Corporate Resources <i>Cllr Powell</i>	On track	On target, progressing actions as planned
RES 11 - Increase social media posts to at least 180 per quarter	Corporate Resources <i>Cllr Powell</i>	On track	<p>Target met and exceeded as previous update. On average 300 posts to social media profiles per quarter. NEDDC now has ownership of LinkedIn account which is being utilised to promote business opportunities, investment and Clay Cross Town Deal work. Embedded – suggest move to an indicator and monitor there.</p> <p>Agreed at Quarterly Performance meeting, recommendation to be made to Cabinet.</p>
RES 12 - Improve the overall performance and usability of the website by achieving a minimum score of 90% using the Silktide* tool by Dec 2022.	Corporate Resources <i>Cllr Powell</i>	On track	NEDDC currently scores 94 ('Excellent') - for comparison nationally, the top 10 Local Authority websites currently score 97 or above so NEDDC is doing very well. (March 2021)

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		<p>NEDDC have the Silktide website testing tool and scores for aspects of the websites are:</p> <ul style="list-style-type: none"> • Content 86 • Accessibility 94 • Usability 91 • Marketing 86
RES 16 - Ensure home ownership models to equate to 25% of affordable homes requirement on new developments	<p>Development <i>Cllr Powell</i></p>	<p>On track</p> <p>March 2021 On new developments currently under construction or recently completed, 56% of affordable homes are shared ownership or Affordable Home Ownership. This includes those properties that have been purchased directly from the developer by a Registered Provider, in addition to the affordable homes specified in the planning agreement.</p>
RES 18 - Reduce rough sleeping to zero by 2023	<p>Development <i>Cllr Powell</i></p>	<p>On track</p> <p>0 recorded rough sleeping in Q1 In Quarter 1 we opened 44 cases (Full Homelessness Applications) 25 prevention cases where people were threatened with homelessness 19 relief cases where people were already homeless The National average for cases opened at prevention stage is 55% In Q1 the NEDDC average for cases opened at the</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		<p>prevention stage is 57%. This is compared to 43% of cases being opened at the relief stage.</p> <p>Covid -19 impact on performance</p> <p>In Q1 we recorded 56 positive outcomes where homelessness or the threat of homelessness was resolved</p> <p>30 positive outcomes at prevention stage</p> <p>16 positive outcomes at relief stage</p> <p>The prevention and relief cases do not tell the whole story. In Q1 we also opened 96 advice cases. Advice cases are usually opened to register initial enquiries before a full homelessness application is made. These cases will either change to prevention or relief cases, or, they may only serve to capture more basic low level advice where there is no need to trigger a homelessness application.</p>
RES 20 - Create at least 4 apprenticeship opportunities by 2023	Corporate Resources <i>Cllr Foster</i>	<p>On track</p> <p>We are currently recruiting to two new Apprentice positions (one post is joint with BDC).</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder		Q1 2021/22 Progress Update
RES 21 - Invest in voluntary and community organisations to assist over 20,000 vulnerable and disadvantaged households per year	Corporate Resources <i>Cllr Foster</i>	On track	Q1: 17,942 vulnerable and disadvantaged households were assisted by advice and VCS infrastructure agencies commissioned by the Council during 2020/21. Most agencies advise that they have experienced a significant drop in requests for support within the year due to the COVID-19 restrictions and interim changes in Government policy during this period which has reduced the need for responsive support (such as stays on bailiff action, evictions and mortgage holidays). Numbers are expected to increase once more as the interim measures end.
RES 22 - Re-sign and launch the Armed Forces Covenant and deliver the action plan by 2023	Corporate Resources <i>Cllr Foster</i>	On track	Due to the extension of Step 3 of the COVID-19 Roadmap to Recovery to 19th July 2021, the Victory Festival events scheduled for 17th July 2021 were cancelled. Plans are currently underway for a NEDDC Commemorating the Covenant Event in Autumn 2021. The Council's support for Armed Forces Week was publicised in June 2021 and information shared with the NED Armed Forces Community members who have registered for the service.
RES 23 - Develop an Older People's Strategy by September 2020 and deliver the Action Plan by 2023	Corporate Resources	On track	The Digital Connect commission has been awarded to Citizens Advice Mid Mercia, who will commence the two-year project to support to those aged over 50 to increase

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
	<i>Cllr Foster</i>	their online skills and confidence on 19th July 2021. All older peoples groups/luncheon clubs registered for NEDDC support have been contacted to identify if any help is required to recommence post COVID-19 restrictions.
RES 24 - Develop the British Sign Language Action Plan by April 2020 for implementation in full by December 2023	Corporate Resources <i>Cllr Foster</i>	On track Deaf Equality training to front line staff has been delivered. Consultation with the British Deaf Association was undertaken on the proposed CCTV in taxis policy to support the engagement pledge under the BSL Charter. The next significant pieces of work are production of BSL videos to support some key topics on the Council's website.
RES 26 - Support at least 20 projects per year through the Community Action Grants Fund	Corporate Resources <i>Cllr Foster</i>	On track 7 projects have been awarded a total on £3,039.81 within the quarter. An online application form has also been developed. Weekly promotion of successful projects has commenced through NEDDC social media.
RES 27 - Support at least 4 initiatives per year led by volunteers	Corporate Resources <i>Cllr Powell</i>	Covid affected Two initiatives have been supported in depth, Wingerworth Men's Shed Group and SCAMWhere? Additionally, following COVID-19, offers for support have been made to all 14 older peoples group/luncheon clubs

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update	
			who are registered for NEDDC support, in case they need help in reopening following restrictions.
RES 28 - Recruit 8 physical activities champions per year	Corporate Resources <i>Cllr Alan Powell</i>	Covid affected	To date 0 physical activity champions have been recruited due to being COVID affected. During Q2 we hope to have fully re-engaged back into the Clay Cross community and start to recruit champions that can support physical activity and support those feeling lonely/isolated in the local community
RES 30 - Provide 10 waste, recycling and environmental advice to schools and community events per year	Environment <i>Cllr Cupit</i>	Covid affected	Throughout the April to June no education events have been undertaken due to Covid19 restrictions and schools being on lock-down. However, continued education and awareness raising has been undertaken throughout this period with customers who's burgundy bin collections may have been delayed due to issues of contamination. Given learning priorities at this time and ongoing social distancing requirements, no school events are anticipated in the near future
RES 31 - Support at least 6 school climate change projects per year	Corporate Resources <i>Cllr Kenyon</i>	On Track	The 2021/22 scheme will be open for applications in September 2021.

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update	
RES 32 - Monitor performance against the corporate equality objectives and publish information annually	Corporate Resources <i>Cllr Foster</i>	On Track	The office based staff equality refresh programme has been completed. Materials have been produced for the operatives to be delivered via toolbox talks. A refresh is also being considered for Elected Members. Work continues on the BSL Charter Action Plan however some meetings with the British Deaf Association have been pushed back as they need to support the winding up of the Covid hotline. The team continues to support departments with advice especially around complaints and hate incident reports. A light touch review of the Access for All statement, equality monitoring form and guidance is in process also.

Aim: Our Services - Delivering high quality, cost effective services by engaging with residents, partners and Council staff

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update	
SER 01 - Deliver 22 service reviews by 2021	Corporate Resources	Achieved	The Service Review process was incorporated into the Service Plan process which is now complete.
SER 02 - Deliver 4 employee liaison meetings annually	Corporate Resources <i>Cllr Foster</i>	On track	Meetings will be scheduled for the remainder of the year following confirmation of the committee meetings schedule
SER 03 - Deliver £2m savings through the Transformation Programme by 2023 <u>Note:</u> Programme 2 started in 2018/19.	Corporate Resources <i>Cllr Kenyon</i>	On track	£1.2m (60% of target) of the target achieved up to July 2020 when the approach was changed. Financial efficiencies are now identified through Finance led, annual 'line-by-line' budget reviews and the Transformation outcomes are delivered by 7 strategic projects.
SER 04 - Deliver 100 hours leadership training per year	Corporate Resources <i>Cllr Foster</i>	On track	Further Leadership Training has been undertaken, with Mental Health Awareness and Resilience Training for Managers

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
SER 05 - Ensure that at least 50% of transactions are made through digital channels by Dec 2024	Corporate Resources <i>Cllr Kenyon</i>	<p>43.59% transactions measured are 'digital' (Q4, 2020-21)</p> <p>Online transactions (of those measured) are increasing on previous year. Examples:</p> <ul style="list-style-type: none"> • Jan 2021 = 1383 (464 Jan 2020) – 198% increase • Feb 2021 = 956 (367 Feb 2020) – 161% increase • March 2021 = 768 (485 March 2020*) – 100% increase <p>April 2021 = 1114 (281 April 2020) – 296% increase</p>
SER 06 - Provide self-service access to all service areas by 2023	Corporate Resources <i>Cllr Kenyon</i>	<p>New service area to using Self Service are Governance. More service areas as using the internal forms system (ie staff for not customer facing).</p> <p>Most service areas have access to Self Service but the level of use needs to increase further which can only be done through policy changes and a change in culture. Environmental Health and Streetscene are key users, Revenues are increasing their use via increasing online forms, emerging users are Leisure, Communications, Planning and Economic Development. The need for COVID-19 related forms and online services continues with several grant funding forms being designed and implemented in January 2021. LEAN reviews help service areas identify where services can be moved online will begin shortly..</p>

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder		Q1 2021/22 Progress Update
SER 11 - Increase the number of pre-court and court enforcement actions taken by Community Safety	Environment <i>Cllr Powell</i>	On track	Community Protection Warning's x 17 Community Protection Notice x 3 Fix penalty notice - 2 Community Protection Warning x 0 Acceptable Behaviour Contract's x 0
SER 12 - Ensure that monthly car parking patrols are undertaken outside schools within the District	Environment <i>Cllr Cupit</i>	Covid affected	Patrols and visits to begin again in October 2021 with the new school year, depending on Covid-19 position
SER 13 - Review enforcement services and develop and deliver a 2020-23 Environmental Health Improvement Programme	Environment <i>Cllr Cupit</i>	On Track	Review completed and service plan / improvement plan in development
SER 15 - Deliver 6 Ward walks per year	Corporate Resources	On Track	No ward walks undertaken in quarter 1 Work is now underway to investigate this target, it's aim and purpose and to put a plan in place to be able to deliver it.
SER 16 - Attend 4 Parish Council Meetings per year	Corporate Resources <i>Cllr Foster</i>	On track	A new model code of conduct will be produced and training offered to District Councillors at Council in September. it is considered that we will record this session where possible to offer the recording our to PCs.

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		DPL continues to meet on a quarterly basis to engage with PCs. This objective will be reviewed with the monitoring officer to consider appropriate next steps after covid.
SER 17 - Undertake a biennial customer satisfaction survey	Corporate Resources Cllr Foster	Not started The Performance Team will produce an options papers once a strategic steer has been received. Currently a review of the corporate consultation post is being undertaken
SER 18 - Review the Council's Petition Scheme by Annual Council 2020	Corporate Resources Cllr Foster	Overdue Standards will consider this matter at their meeting in September
SER 19 - Achieve a combined recycling and composting rate of 50% by March 2023	Environment Cllr Cupit	On track Q1 (2021\22) performance is estimated on like Q1 (2019\20 Pre-Covid) performance due to Waste Data Flow information not being available until September 2021. It is estimated 6,108 tonnes of recyclable\compostable waste will be diverted yielding a combined recycling rate of 51% between April and June 2021. Q4 (2020\21) 2,202 tonnes of recyclable\compostable waste was diverted, yielding a recycling rate of 22.7% between January to March. Comparative performance

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		with Q4 (2019\20) is 7% lower and influenced by Covid19. The combined Q1 and Q4 performance is 39.4% which is 7% lower when compared to 2019\20 performance
SER 20 - Place 2 recycling promotions in NEDi News annually	Environment <i>Cllr Cupit</i>	On track Article placed in Spring edition of The News informing of green bin collection recommencement and promoting waste recycling (Burgundy Bin) and garden\food waste composting (Green Bin) to facilitate increased waste diversion from the residual waste (Black Bin) stream, reducing reliance of landfill and\or heat treatment. This was further complimented by a like article in the Summer edition thanking residents for their patience and understanding throughout the period (Feb\March21) when bringing the burgundy bin service in-house.
SER 21 - Undertake Local Environmental Quality Surveys to establish 96% relevant land surveyed meets grade B or higher cleanliness standards in line with Code of Practice for Litter and Refuse	Environment <i>Cllr Cupit</i>	On track Q1 (2021/22) LEQS's established 2.22% of streets and relevant land surveyed fell below grade B cleanliness standards resulting in 97.78% meeting the 96% target.
SER 22 - Undertaking cleansing of all District estate roads at least 4 times per year	Environment <i>Cllr Cupit</i>	On track Urbanised housing estate street cleansing is scheduled on quarterly frequencies and performance is measured by way of operational cleansing program returns.

Council Plan Target (Target date 31/03/23 unless stated otherwise)	Directorate/ Portfolio Holder	Q1 2021/22 Progress Update
		Following the impact of Covid-19, service delivery has returned to near-normal arrangements.
SER 23 - Complete the review of Planning Committee processes by 1 May 2020. Complete the implementation of all agreed actions by 1 May 2021.	Environment <i>Cllr Cupit</i>	All the actions points have been implemented. We are on a whole new set of improvement plan action points, but there is no need to add those to the latest Performance Plan as a future target.

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

28 July 2021

Risk Management

Report of the Director of Corporate Resources

Classification: This report is public

Report By: Lee Hickin, Director of Corporate Resources

Contact Officer: Lee Hickin, Director of Corporate Resources

PURPOSE / SUMMARY

- To update Members of the Audit and Corporate Governance Scrutiny Committee of the current position regarding Risk Management arrangements and the Strategic Risk Register as at July 2021.
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RECOMMENDATIONS

1. That the Audit and Corporate Governance Scrutiny Committee notes the report and Strategic Risk Register as at July 2021 as set out in **Appendix 1**.

Approved by the Portfolio Holder – Councillor Paul Parkin

IMPLICATIONS

Finance and Risk: Yes No

Details:

There are no additional financial implications arising out of this report. Whilst, where appropriate, additional mitigation measures have been identified and implemented during the course of preparing the Strategic and Operational Risk Registers, the cost of implementing this mitigation will be met from within previously agreed budgets. Risk Management Issues are covered throughout the body of the main report.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

There are no legal or data protection issues arising directly out of this report.

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

There are no human resource issues arising directly out of this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/></p> <p>NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies</p>	No
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	No
<p>District Wards Significantly Affected</p>	None
<p>Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input checked="" type="checkbox"/> SAMT <input checked="" type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	Yes

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

None.

REPORT DETAILS

1 Background

1.1 Audit and Corporate Governance Scrutiny Committee have previously endorsed the Council's Risk Management Strategy which was then approved by Cabinet in March 2020. The Strategy includes but is not limited to the following;

- The nature of 'risk' both the 'threats' and the 'opportunities'
- The benefits of a robust risk management approach
- The Council's risk appetite
- Risk categorisation – *Operational, Governance, Strategic*
- Project and Partnership risk
- The Council's risk management approach and arrangements including a new 'Risk Management Group'
- Roles and responsibilities including *Senior Risk Officer* and *Senior Information Risk Officer* (SRO and SIRO)

1.2 The Strategy also details the work of a 'Risk Management Group'. This is elected Member led and includes the Councils Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group provides a comprehensive oversight of risk throughout the organisation and is the conduit to and from the whole organisation in terms of risk management.

1.3 The group 'regularly' and 'consistently' oversee, all of the risk registers ensuring they are up to date and accurate whilst offering challenge to the assessment process itself. It is responsible for risk management reporting to stakeholder groups across the Council, including this Scrutiny Committee and supports the production of the Annual Governance Statement. The group leads on the development and review of all risk related policies, plans and strategies across the Council and oversees and champions the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the 'embedding of' an effective risk management culture.

Update of the Risk Management Group held on 19th April 2021

1.4 Having previously developed and established new risk register templates for *Strategic, Operational, Partnership* and *Project* related risks, the group have overseen their completion by Heads of Service in relation to their own service areas. The templates cover; risk area, threat/opportunity, mitigation and risk ratings. At the meeting 'Performance' Head of Service presented their Operational Risk Register – discussion centred around the following;

- **PER01 – Failure to provide adequate data protection advice and support**
There were designated Data Protection Officer and deputy within the Team. All staff were suitably qualified. The DP Policy had been approved and published. Employee refresher briefings were scheduled every two years and also on induction. DP implications were included on the Committee report template. A corporate level risk group had also been established.
- **PER02 – Failure to provide adequate consultation advice and support**
There was a designated role within the Team. The joint team provides resilience with BDC. Legal could support if it was required. Consultation Policy has been approved and published. Consultation implications are sought on the Committee report template.
- **PER03 – Failure to provide adequate equality advice and support**
There were designated roles within the Team. The Improvement Officer was suitably qualified and experienced. Joint team provides resilience with BDC. Equality Policy has been approved and published. Implications are sought on the Committee report template. All new employees receive a briefing and refresher training to staff was delivered Feb/Mar 2021.
- *An issue was raised with the new report template as the equalities element had been merged with a generic item so could easily be overlooked. This would be picked up with Governance.*
- **PER04 – Failure to administer corporate performance framework (monitoring and reporting) adequately**
There was a designated role within the Team. Frameworks are supported by SAMT and Cabinet. Audit Scrutiny are playing an active role under the new administration. PERFORM in place however there is only one team member that has knowledge of this system so that is an issue that needs resolving.
- **PER05 – Failure to administer Freedom of Information, Environmental Information Regulation and Data Subject Access requests adequately**
There was a designated role within the Team that was a joint post with BDC. Service Manager is able to support and cover when required. There is a dedicated Information Support Officer at each Authority. The Access to Information Policy has been approved and published. Redaction software has been purchased and is actively in use.

As part of service planning, consideration was being given as to whether to invest in a bespoke FOI system.
- **PER06 – Failure to provide mandatory and refresh training and to update policies and supporting guidance documents**

Annual programme of mandatory training has been scheduled with refresher sessions scheduled as required. Ad-hoc training is offered to Service Managers if required.

A policy review is to be undertaken this year. And a 3-year work plan is to be developed.

- **PER07 – Loss of ICT**
If there is a loss of ICT there are other options for the Team including non-ICT based work. The Team also have an informal WhatsApp group to keep others informed of any issues.

The Group discussed the third party risks at length with the Head of Service.

- 1.5 The Group reviewed the Strategic Risk Register (see Appendix 1). Each Risk was discussed. The following are items of note;

At the Risk Management meeting held on 10 February 2021 there was a discussion around Wards Recycling and where it should sit in terms of risk. Since that meeting the company had gone into administration and the Council had brought the service in-house. Although NEDDC were now operating the service it was still classed as a risk due to the materials market and the increasing costs and the Head of Service suggested that given there was still a risk that the risk was moved from strategic to operational.

- **STR14 – Cyber security attack which severely impacts ICT systems and data. E.g. Ransomware attack rendering access to ICT unavailable for some time.**

This was on the Risk Register due to the significant impact that could occur should this happen. It was advised that this is part of business continuity so we had to look at the operational side of things also. It was reported that there were a lot of actions/processes in place already to prevent it happening however it was not guaranteed to stop an attack.

Consideration to be given to arranging an emergency planning exercise within the next 6 months based on this possibility. Proposal to be presented to next meeting for consideration.

- 1.6 The Group discussed the difficulties and challenges in recruiting and retaining staff particularly within environmental health and planning.
- 1.7 The Group discussed Government grants and reports of businesses making false claims. The Council carried out an audit of processes and no areas of concern were raised.
- 1.8 The use of Cloud Based Applications was discussed by the Group. The lack of an audit trail if the application was not a corporate management system

was considered to be a high risk. The Group agreed that prior to signing up to use a cloud based system discussions should be held with ICT.

- 1.9 Emergency Planning and Business Continuity Planning were discussed by the Group. The Emergency Planning Officer advised that lessons learned over the last year/18 months would be considered and incorporated into Emergency and Business Continuity Plans.
- 1.10 ***Work was underway with Bolsover District Council on Operation Eagle and service testing.*** NEDDC may be involved in Operation Eagle at some point and service areas available to assist were being considered.
- 1.11 Covid-19 and the overall impact, including loss of income, was discussed by the Group. It was agreed that the Risk Management Group should be aware of the issue and SAMT would be asked for their views.

2. Details of Proposal or Information

- 2.1 To update Members of the Audit and Corporate Governance Scrutiny Committee of the current position regarding Risk Management arrangements and the Strategic Risk Register as at July 2021.

3 Reasons for Recommendation

- 3.1 The Council have in place a robust Risk Management Strategy and action plan which enables the organisation to manage the many and varied risks facing the Council. The approach to managing those risks is applied within decision making processes and is continuous with a structured review process overseen by the Risk Management Group.
- 3.2 The Risk Management Group is elected Member led and includes the Councils Senior Risk Officer (SRO), Senior Information Risk Officer (SIRO), S151 Officer, representation from senior management, Internal Audit and Health and Safety. The group provides a comprehensive oversight of risk throughout the organisation and is now becoming the conduit to and from the whole organisation in terms of risk management. The Risk Management Group is now able to provide risk management reporting to stakeholder groups across the Council and will support the production of the Annual Governance Statement.
- 3.3 The Risk Management Group have made significant progress in ensuring that risk is effectively managed within the organisation. By leading on the development and review of all risk related policies, plans and strategies across the Council, the Risk Management Group will provide consistency of approach and alignment of all service areas in relation to risk management. By overseeing and championing the implementation of the Risk Management Strategy and associated action plan including training 'relating to' and the

'embedding of' an effective risk management culture, the Risk Management Group will be pivotal in the organisations future success.

4 Alternative Options and Reasons for Rejection

Under relevant good practice and to facilitate the development of robust managerial arrangements the Council is required to prepare a Strategic Risk Register as part of its risk management framework. This report is intended for Members and Officers to consider both the Strategic Risk Register, together with the Council's wider framework for managing risk and partnerships. Given the importance of these arrangements for the overall governance of the Council it is necessary to subject them to regular review. The alternative of not providing this is therefore rejected.

DOCUMENT INFORMATION

Appendix No	Title
1	Strategic Risk Register as at July 2021
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Service Area Operational Risk Registers	

STRATEGIC RISK REGISTER – updated 07/07/21

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
<p>STR1 Parliamentary uncertainty following the General Election, Government Legislation / impact of referendum vote to leave the EU / adverse external economic climate has an accelerating impact on Council funding, or upon the local economy, to which Council is unable to adopt an appropriate change of Strategic direction. The decision to leave the EU creates significant uncertainties whilst there is a significant programme of legislative change which impacts directly upon local government.</p>		<ul style="list-style-type: none"> • Unable to deliver a package of services that both addresses changing national priorities whilst meeting changing local needs and aspirations. • Increases costs or reduces resources available to the Council directly, or to its key partners. • Reduced influence over delivery of local services. • Unable to effectively support local communities. • Increased demands on Council services at a time when Council resource base is reducing. 			<ul style="list-style-type: none"> • Mitigation. • The Council is outward looking and actively works to secure details of proposed change and the approaches that might be adopted to mitigate against associated risks, including working to identify new income streams. • The Council has effective political and managerial arrangements in place to manage change. • Appropriate levels of financial reserves / investment funding are maintained to fund strategic shifts in service delivery. • Effective engagement with staff to ensure they embrace necessary change. 				
STR1	Sept 19	Inherent Risk Score (Likelihood x Impact)	4x4	16	Residual Risk Score (Likelihood x Impact)	3x4	12	Risk Owner / Lead Officer	SAMT / Political Leadership

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
<p>STR2 Failure to deliver a balanced budget in line with the MTFP, at a time when the Council's reserves are at an acceptable rather than a robust level, and localism has created significant uncertainties re future funding levels.</p>		<ul style="list-style-type: none"> • Impact upon ability to deliver current level of services. • Unable to resource acceptable levels of service. • Significant adverse reputational Impact. • The Covid 19 pandemic is putting a significant and unprecedented risk on budget setting 			<ul style="list-style-type: none"> • Mitigation • The Council has effective financial management in place to ensure budget arrangements are robust. • The Council has appropriate managerial arrangements and culture in place to manage any necessary change. • The Council has 'adequate' financial reserves in place to cushion against any loss of income for a period of at least one financial year. • The Council has been closely monitoring the impact of Covid 19 and adjusting the budgets accordingly. The financial impact of the pandemic is recorded as a key risk in budget setting for the MTFP refresh 				
STR2	16/11/ 20	Inherent Risk Score (Likelihood x Impact)	4x4	16	Residual Risk Score (Likelihood x Impact)	3x4	12	Risk Owner / Lead Officer	Political Leadership / S151 Officer/ SAMT

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
<p>STR3 The Council is affected by a operational service failure which has a major impact upon the local community, this impact being reflected in the Council's sustainability and reputation. Failure could arise from services – inc Data Protection – failing to adhere to best practice. Resulting in a potential impact upon the Council's ability to secure its corporate objectives. Given the efficiency measures that have been introduced to date this is considered to be an increasing issue for the Council.</p>		<ul style="list-style-type: none"> • A significant service failure associated with a major impact on the local community. • Deterioration in services to the public, potentially a major impact upon a local resident or a group of local residents. • Significant staff and financial resources required to resolve position, impacting on other services. • A major service has its operating capacity significantly impact and is required to introduce major reform in its approach to service delivery. • Severe reputational damage 			<ul style="list-style-type: none"> • Mitigation • The Council has appropriate managerial arrangements in place supported by staff recruitment and training to ensure these risks are effectively managed. • The Council has a Performance Management Framework in place to help ensure that services are delivered in line with good practice and industry standards. On going monitoring and regular reporting will help ensure that any emerging issues re service performance are effectively identified and resolved at the earliest possible opportunity. 				
STR3	Sept 19	Inherent Risk Score (Likelihood x Impact)	3x5	15	Residual Risk Score (Likelihood x Impact)	2x5	10	Risk Owner / Lead Officer	SAMT
<p>STR4 Emergency Planning and Business Continuity arrangements fail to meet required standards when tested by flu pandemic, natural disaster (flood), etc.</p>		<ul style="list-style-type: none"> • Inability of Council to provide services as a consequence of a severe catastrophic external event (e.g. flooding, major terrorist incident, flu pandemic, fire, cyber crime). • Failure of IT infrastructure, leading to inability to effectively operate services and to safeguard income streams. 			<ul style="list-style-type: none"> • Mitigation • The Council works in partnership with a range of partners on its Emergency Planning arrangements to ensure that we operate in line with best practice. There is an annual 'desktop' scenario to test officers understanding of the 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
Cyber crime with a loss of data / systems, results in the inability to provide core services and reputational damage.		<ul style="list-style-type: none"> Business Continuity Plans prove ineffective in practice. 			<p>arrangements and validate that they are fit for purpose in a realistic 'trial' scenario.</p> <ul style="list-style-type: none"> All services have Business Continuity plans in place which identify key risks and mitigation. Corporate IT systems have been tested against Industry standards for Business Continuity. The Council works in partnership with a range of other agencies that should be able to provide support in the event of the Council's own procedures failing to be effective. The Council has in place industry standard measures to minimise the risk of cyber crime. 				
STR4	Sept 19	Inherent Risk Score (Likelihood x Impact)	5x5	25	Residual Risk Score (Likelihood x Impact)	5x3	15	Risk Owner / Lead Officer	SAMT
STR5 Increasing difficulty in recruiting to key posts or in replacing key staff who leave. Staff morale is adversely affected arising from the pace of change, tightening financial circumstances or external circumstances.		<ul style="list-style-type: none"> Deterioration in services to the public. Increasing inefficiencies in service provision. Weakening of Internal Control arrangements. Increased pressure on other members of staff. 			<ul style="list-style-type: none"> Mitigation The Council has effective communication and working with staff as validated by securing 'silver' accreditation at IIP. There is sufficient funding to bring in agency staff where required to maintain service performance. At this stage the problematic areas are those where there are national 'shortages'. In the majority of areas 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
					<p>it has proved possible to recruit appropriate replacement staff.</p> <ul style="list-style-type: none"> • Appropriate training budgets are in place to ensure that staff receive necessary training to maintain service quality / continuity. • The Council is looking to introduce appropriate apprenticeship / training schemes in order to develop suitable staff. 				
STR5	Sept 19	Inherent Risk Score (Likelihood x Impact)	3x4	12	Residual Risk Score (Likelihood x Impact)	2x4	8	Risk Owner / Lead Officer	SAMT
<p>STR6 Delivery of the Council's Agenda is dependent upon effective delivery of both a number of major initiatives / projects and implementing a range of new government reforms whilst achieving financial targets and maintaining service quality, which may overstretch our reduced organisational capacity.</p>		<ul style="list-style-type: none"> • New initiatives are not delivered in a cost-effective manner. • Failure to maintain / improve services in line with local aspirations. • Failure to generate the savings required to balance the budget. • Financial savings measures weaken Governance / Internal Control arrangements. • Service deterioration / failure arising from capacity issues. 			<ul style="list-style-type: none"> • The Council has effective prioritisation and project management arrangements in place to ensure resources are directed at key objectives. • The Council has made efforts to ensure effective use of employees by utilising shared services to protect service resilience, by maintaining appropriate training arrangements and by investing in transformational service delivery projects. • The Council has a robust performance management framework that is intended to highlight emerging issues. 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
STR6	Sept 19	Inherent Risk Score (Likelihood x Impact)	3x4	12	Residual Risk Score (Likelihood x Impact)	2x4	8	Risk Owner / Lead Officer	SAMT
STR7 Need to effectively engage with local communities and a range of local partners (inc Shared / Joint services) to deliver cost effective joined up services.		<ul style="list-style-type: none"> • Failure to provide effective community leadership. • Loss of trust in the Council • Inability to deliver good quality cost effective services targeted at local needs. • Poor outcomes for local residents, due to failure to engage other agencies. 			<ul style="list-style-type: none"> • Mitigation • The Council has in place a range of mechanisms designed to secure feedback from local residents including the Performance Framework, a range of consultation events and the role of Elected Members as local champions. • The Council has an active Partnerships Team and senior Members / Officers actively engage with other organisations serving the area. • The Council's management structures are aligned to our key partnership arrangements. 				
STR7	Sept 19	Inherent Risk Score (Likelihood x Impact)	3x4	12	Residual Risk Score (Likelihood x Impact)	2x4	8	Risk Owner / Lead Officer	SAMT / Political Leadership
STR8 Governance Arrangements including Performance, Finance and Risk Management need to be maintained in order to continue to operate effectively in a rapidly changing environment.		<ul style="list-style-type: none"> • Adverse Impact upon Service Quality. • Failure to deliver high quality services which address national and local priorities. • Significant adverse reputational impact. 			<ul style="list-style-type: none"> • Mitigation • The Council has appropriate managerial arrangements in place supported by staff recruitment and training to ensure these risks are effectively managed. • The Council has active Standards and Audit Committees which provide independent review of the 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
					Governance arrangements in the Council. <ul style="list-style-type: none"> The Annual Governance Report sets out an evidence based structured assessment of the operation of the Council's governance arrangements. 				
STR8	Sept 19	Inherent Risk Score (Likelihood x Impact)	3x4	12	Residual Risk Score (Likelihood x Impact)	2x4	8	Risk Owner / Lead Officer	S151 Officer / Monitoring Officer / SAMT
STR9 Staff morale / Sickness Levels adversely affected as a result of the pace of change, tightening financial circumstances or external circumstances.		<ul style="list-style-type: none"> Deterioration in services to the public and loss of productivity. Loss of key staff / increased sickness levels. Increased pressure on other members of staff. Loss of 'goodwill.' 			<ul style="list-style-type: none"> The Council operates in line with the independent IIP standards and HR 'good practice' to help ensure current staff are well managed and motivated. The staff has a range of communication mechanisms in place to ensure staff engagement with the Council's agenda. The Council has reduced its emphasis of securing savings through vacancy management and seeks to bring in 'agency staff' etc as required. While the Council cannot control external circumstances it has continued to work with staff to mitigate the impact of these on individual employees. 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
STR9	Sept 19	Inherent Risk Score (Likelihood x Impact)	3x4	12	Residual Risk Score (Likelihood x Impact)	3x3	9	Risk Owner / Lead Officer	SAMT
STR10 Failure to have in place robust, comprehensive and up to date policies and procedures for safeguarding children and vulnerable adults.		<ul style="list-style-type: none"> • Profile of safeguarding is poor • Staff and members do not know what safeguarding is and their role within it • Staff and members do not know how to spot the signs • Staff and members do not know how to report it and to who? • Lack of public confidence in Council policies plans and staff • Reputational damage • Potential significant harm to individuals resulting from abuse and neglect of Children and/or Vulnerable Adults possibly leading to personal harm, injury and death 			<ul style="list-style-type: none"> • The Council has in place up to date policies for safeguarding both Children and Vulnerable Adults. These policies are aligned to DCC policies which in turn are in line with legislation, regulation and statutory duties placed on Local Authorities. • The Council has in place and maintain systems of working practice to safeguard children and vulnerable adults at Council activities and those who receive Council services. • Staff recognised as appropriate to do, are DBS checked • All staff receive mandatory safeguarding training • Safeguarding is widely promoted and embedded throughout the organisation with all staff being issued with a wallet sized 'safeguarding quick reference guide' which details what to look out for and what to do • The Council has an internal safeguarding group which meets quarterly which has representation from all service areas of the Council. • The Council host and Chair the Countywide Derbyshire Safeguarding Leads Sub Group of 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
					<p>the Derbyshire Safeguarding Childrens' Board and Derbyshire Safeguarding Adults Board</p> <ul style="list-style-type: none"> The Council are represented on both the Derbyshire Safeguarding Children's Board (DSCB) and the Derbyshire Safeguarding Adults Board (DSAB) 				
STR10	16/11/ 20	Inherent Risk Score (Likelihood x Impact)	5x4	20	Residual Risk Score (Likelihood x Impact)	4x3	12	Risk Owner / Lead Officer	SAMT / Political Leadership
STR11 Failure of NEDDC's Local Plan to be found sound at independent examination.		<ul style="list-style-type: none"> Potential Government intervention Undermining the local plan Reputational damage Loss of control of planning and development 			<ul style="list-style-type: none"> The Council has successfully avoided Government intervention in the plan-making process. The Plan has now been through independent examination by the independent Inspector. The Council has taken all reasonable steps in the preparation of the Plan to ensure that it is based on sound evidence and meets procedural and legal requirements. This has included taking external legal advice, securing an advisory visit with the Planning Inspectorate and engaging consultants to critically review the Publication Draft Plan. The Plan has completed its main modifications consultation and the representations have been collated 				

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
					<p>and sent to the Inspector. The Inspector's report is expected early summer 2021.</p> <ul style="list-style-type: none"> Main remaining risks are i) Full Council deciding not to adopt the Plan, ii) JR of Full Council's decision 				
STR11	Sept 19	Inherent Risk Score (Likelihood x Impact)	2x4	8	Residual Risk Score (Likelihood x Impact)	2x4	8	Risk Owner / Lead Officer	SAMT / Political Leadership
STR12 Impact of HS2 and the electrification of the MML on environment, heritage, communities and businesses.		<ul style="list-style-type: none"> Without considerable environmental mitigation measures will have a negative impact on the visual amenity of the district, disruption to businesses, home owners and communities. It also has the potential to cause disruption on the roads and stall progress on areas of development due to uncertainty. 			<ul style="list-style-type: none"> Senior management actively engaged with HS2 staff to discuss proactive business mitigation measures. Political leadership working with relevant community groups and agencies lobbying for enhanced mitigation measures. Contributing to the East Midlands HS2 growth strategy and mitigation study Awaiting the outcome of the Government Review and the Integrated Rail Plan 				
STR12	16/11/ 20	Inherent Risk Score (Likelihood x Impact)	4x4	16	Residual Risk Score (Likelihood x Impact)	4x4	16	Risk Owner / Lead Officer	SAMT / Political Leadership

Area Of Risk (Reference / Date)	Threats / Opportunities	Mitigation / Controls In Place / Actions Undertaken	Potential Further Action / Action Planned / When By Date
<p>STR13 Failure to address the impact of COVID-19 upon the organisation, local economy and community</p>	<ul style="list-style-type: none"> • Inability to deliver services or service failure • Loss of income to the Council • Inability to provide safe working environment resulting in COVID contamination and infection • Adverse impact on employee health • Inability to change the Councils 'ways of working' to meet the current challenges • Increased Cybersecurity and ICT related risk due to remote working increase • Inability to deliver strategic plans and ambitions • Inability to support local businesses and employers • Inability to support the community and in particular vulnerable people 	<ul style="list-style-type: none"> • The Council plays an active role in the Local Resilience Forum (LRF) and network of sub groups taking part in very frequent meetings and working to effectively and collectively tackle the impact of COVID within the County. This forum includes many agencies across the public sector spectrum including emergency services, NHS, Public Health and others (see strategic risk 6 also) • The Council has in place effective business continuity and emergency action plans which enabled the effective and efficient deployment and diversification of resources to ensure service resumption, business and community support in the initial response phase of the COVID-19 pandemic • The Council have in place robust recovery plans which include the following; • Maintaining Financial Control - Development of financial resilience reserves and accessing govt. funding aimed at local authority support, service budget reviews, controlling expenditure, regular fees and charges reviews, furloughing staff as necessary 	

Area Of Risk (Reference / Date)	Threats / Opportunities	Mitigation / Controls In Place / Actions Undertaken	Potential Further Action / Action Planned / When By Date
		<ul style="list-style-type: none"> • Workplace Safety – Return to work protocols and risk assessments, regular inspection, social distancing plans, protection and hygiene measures, PPE, staff testing, communication plan, staff related policy reviews, training and briefings, recognition of vulnerable employees • New Ways of Working – Virtual and remote working capability, digital workforce training, digital inclusion plans, remote and homeworking task group, homeworking policy review, website and online services capability review, managing teams remotely guidance • ICT and Cybersecurity – Evaluation of remote applications and tools, training and guidance, cybersecurity investment planning • Front Facing Services – Workplace safety as above, public interaction protocols, equipment such as 'sneeze, screens in place and face masks etc, floor markings and signage, social distancing measures, one way systems in facilities and public areas, NHS test and trace registration and materials in place 	

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
					<ul style="list-style-type: none"> • Strategy and Plans Review – Risk management, Transformation Programme, Digital, Climate Change, People, Growth, Tourism and Leisure are all strategies currently being reviewed • External Recovery Plans – Aimed at the local economy, business support and survival, includes channelling and distribution of business grants, council tax and business rates support, links to other bodies including; LRF Recovery Sub Group, D2N2 Recovery. There is also a key focus on Communities and the Council's engagement and support with them including Parish Councils, voluntary sector and partners at all levels in the restoration and recovery challenge 				
STR13	Nov 20	Inherent Risk Score (Likelihood x Impact)	5x5	25	Residual Risk Score (Likelihood x Impact)	5x3	15	Risk Owner / Lead Officer	SAMT / Political Leadership
STR14 Cyber security attack which severely impacts ICT systems and data. E.g. Ransomware attack rendering access to ICT unavailable for some time.		<ul style="list-style-type: none"> • Inability of Council to provide services as a consequence of a severe catastrophic event which renders access to ICT unavailable such as Ransomware attack. • Potential ICO Fines and reputational damage. 			<ul style="list-style-type: none"> • See Operational level activities risk reference ICT1 • The Council works in partnership with a range of partners on its Emergency Planning arrangements to ensure that we operate in line with best practice. 			<p>Emergency planning to run Cyber security training events.</p> <p>Improved awareness to Service Managers.</p> <p>Service Managers to review business continuity plans</p>	

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
		<ul style="list-style-type: none"> Adverse Impact upon Service Quality and income streams. Failure to deliver high quality services which address national and local priorities. Potential ICO fines for loss of data Significant adverse reputational impact. Significant cost to Council. 			<ul style="list-style-type: none"> All sections have Business Continuity plans in place which identify key risks and mitigation. Corporate IT systems have been tested against Industry standards for Business Continuity. 			specifically relating to cyber-attack.	
STR14	08/02/2021	Inherent Risk Score (Likelihood x Impact)	5x5	25	Residual Risk Score (Likelihood x Impact)	5x4	20	Risk Owner / Lead Officer	SAMT / Political Leadership

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
STR15 Illegal dumping of waste on large area of Council owned land at Rotherside Road, Eckington leading to prosecution and/or contamination or water course or risk to human health/environment.		<ul style="list-style-type: none"> Potential contamination of river Rother Potential risk to human health/environment from waste Potential prosecution by the Environment Agency for knowing allowing deposit of waste onto land Cost of remediation of land potentially substantial 			<ul style="list-style-type: none"> Council peaceably re-entered site and taken control of site. 16/06/2021 Secure site Keep Environment Agency informed of Council actions 			<ul style="list-style-type: none"> Lessons learned to be created August 2021 Site investigation report to be commissioned July 2021 Site remediation works to deal with any risks (timescale dependant on findings above) 	

Area Of Risk (Reference / Date)		Threats / Opportunities			Mitigation / Controls In Place / Actions Undertaken			Potential Further Action / Action Planned / When By Date	
STR15	22/06/2021	Inherent Risk Score (Likelihood x Impact)			Residual Risk Score (Likelihood x Impact)			Risk Owner / Lead Officer	SAMT / Political Leadership
STR16 Northwood JV failure to meet obligations as shareholder and directors of Northwood leading to failure in meeting company obligations and reduction in profits.		<ul style="list-style-type: none"> • Turnover of Council appointed Directors to Northwood instability in Company • Lack of accountability and understanding or business leading to lower/no profits/loss making 			<ul style="list-style-type: none"> • Appoint Directors for a minimum of 3 years • Appoint Officer as Director rather than 2 Councillors (as originally One Councillor and one Officer) • \understand key financial and contractual risks 			Discuss Leadership/Cabinet with	
STR16	22/06/2021	Inherent Risk Score (Likelihood x Impact)			Residual Risk Score (Likelihood x Impact)			Risk Owner / Lead Officer	SAMT / Political Leadership

North East Derbyshire District Council

Audit Committee

28 July 2021

CIPFA Financial Management Code

Report of the Head of Finance and Resources

Classification: This report is public

Report By: Jayne Dethick, Head of Finance and Resources

Contact Officer: as above

PURPOSE / SUMMARY

To inform the Committee of the requirements of the CIPFA Financial Management Code.

RECOMMENDATIONS

- 1 That the Audit and Corporate Governance Scrutiny Committee note the publication of the Financial Management Code.
-

IMPLICATIONS

Finance and Risk: Yes No

Details:

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds:</p> <p>BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/></p> <p>NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/></p> <p><input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i></p>	No
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	No
District Wards Significantly Affected	None
<p>Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/></p>	<p>Click here to enter text.</p> <p>Details: Click here to enter text.</p>

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

REPORT DETAILS

1 Background

- 1.1 Local government finance in the UK has long been governed by primary legislation, regulation and professional standards. The general financial management of a local authority, however, was not supported by a professional code.
- 1.2 In December 2019, CIPFA published its Financial Management (FM) Code to provide guidance on good and sustainable financial management in local authorities. It has been produced to assist local authorities in demonstrating their financial sustainability through a set of standards of financial management.
- 1.3 The standards have different practical applications according to the size and different circumstances of individual authorities and their use locally should reflect this. The principle of proportionality applies to the FM Code and reflects a non-prescriptive approach to how each standard is met.

2. Details of Proposal or Information

The Financial Management Code

- 2.1 Financial resilience has become a significant issue for local authorities over recent years. This has included leadership and governance issues, financial planning and control and lack of effective audit arrangements.
- 2.2 The Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. For the first time the Code sets out the standards of financial management for local authorities. The Code applies to all local authorities but recognises that they have different structures and legislative frameworks. The Code also recognises that where compliance is not possible then adherence to the principles is appropriate and acceptable.
- 2.3 The Code focuses on value for money, governance and financial management styles, financial resilience and financial sustainability. It identifies the risks to financial sustainability and introduces an overarching framework of assurance which builds on existing financial management good practice. The Code has been designed on a principles-based approach which will assist in determining whether, in applying standards of financial management, a local authority is financially sustainable. The six principles of good financial management are:
- **Leadership** - demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.
 - **Accountability** - based on medium-term financial planning, driving the annual budget process, supported by effective risk management, quality supporting data and whole life costs.
 - **Transparency** - at the core of financial management, using consistent, meaningful and understandable data, reported frequently, with evidence of periodic officer action and elected member decision making.
 - **Professional Standards** - promoted by the leadership team, with adherence evidenced.
 - **Assurance** - recognised as an effective tool, mainstreamed into financial management, including political scrutiny and the results of external audit, internal audit and inspection.
 - **Sustainability** - at the heart of local services' financial management processes, evidenced by the prudent use of public resources.
- 2.4 The Code is structured around seven areas of focus:
- The Responsibilities of the Chief Finance Officer and Leadership team
 - Governance and Financial Management style

- Medium to Long-term Financial Management
- The Annual Budget
- Stakeholder Engagement and Business Cases
- Financial Performance Monitoring
- External Financial Reporting

Each of these areas is supported by a set of guidance standards against which Councils should be assessed. CIPFA's expectation is that authorities will have to comply with all the financial management standards if they are to demonstrate compliance with the Code and to meet its statutory responsibility for sound financial administration and fiduciary duties to taxpayers, customers and lenders.

- 2.5 The Council's external auditors will in future have regard to the Code and will be looking to ensure that the Council is meeting it. The Council's Annual Governance Statement should include the overall conclusion of the assessment of the organisation's compliance with the principles of the Code. Where there are outstanding matters or areas for improvement, these should be included in the action plan.
- 2.6 Demonstrating this compliance with the Code is a collective responsibility of the Elected Members, the Chief Finance Officer and the Senior Management Team. It is for all of the senior management team to work with elected members in ensuring compliance with the Code and so demonstrate the standard of financial management to be expected of a local authority. In doing this the statutory role of the Section 151 Officer will not only be recognised but also supported, to achieve the combination of leadership roles essential for good financial management.
- 2.7 As a first step towards ensuring compliance, the Council's Internal Audit Consortium carried out an audit in September 2020. The purpose was to ascertain the levels of compliance within the Council and identify any gaps to enable full implementation.
- 2.8 The audit concluded that the Council substantially complied with the Code requirements. A small number of recommendations were raised which are being implemented during 2021/22, detailed below:

	Recommendation	Priority	To be Implemented by
R1	The Council's Monitoring Officer must ensure the Council's Local Code of Corporate Governance is approved to ensure that this informs the Annual Governance Statement for 2020/21.	Low	Monitoring Officer
R2	The Head of Finance and Resources maintains an overview of current benchmarking arrangements and adopts a methodology that can demonstrate the Council's financial resilience has been assessed.	Low	Head of Finance and Resources
R3	Further review of risk management by audit, once working arrangements are back to normal following Covid-19 and the implementation of the Risk Management Group.	Medium	Internal Audit Consortium Manager

3 Reasons for Recommendation

- 3.1 Compliance with the FM Code will contribute to sound decision making. This will support the Medium Term Financial Strategy, enabling Members to monitor progress against the Council Plan in a timely manner to ensure resources are allocated in line with the strategic priorities of the Council.

4 Alternative Options and Reasons for Rejection

- 4.1 No alternative options are offered.

DOCUMENT INFORMATION

Appendix No	Title
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below.)	

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

28 July 2021

Medium Term Financial Plan – Financial Outturn 2020/21

Report of the Head of Finance and Resources

Classification: This report is public

Report By: Jayne Dethick, Head of Finance and Resources (S151 Officer)

Contact Officer: as above

PURPOSE/SUMMARY

To inform the Audit and Corporate Governance Scrutiny Committee of the contents of the attached Financial Outturn 2020/21 report to be presented to Cabinet on 29 July 2021.

RECOMMENDATIONS

1. That the Audit and Corporate Governance Scrutiny Committee note the report and make any comments that they believe to be appropriate with regards to the attached report as presented to Cabinet on 29 July 2021.

Approved by the Portfolio Holder – Yes

IMPLICATIONS

Finance and Risk

Yes ✓

No

These are detailed in the attached report.

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

These are detailed in the attached report.

On Behalf of the Solicitor to the Council

Staffing

Yes

No ✓

These are detailed in the attached report.

On Behalf of the Head of Paid Service

DECISION INFORMATION

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input checked="" type="checkbox"/> <i>Capital - £250,000</i> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In?(Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

REPORT DETAILS

1 Background

To inform the Audit and Corporate Governance Scrutiny Committee of the contents of the attached Financial Outturn 2020/21 report to be presented to Cabinet on 29 July 2021.

2 Financial Outturn 2020/21

2.1 To update Members of the Audit and Corporate Governance Scrutiny Committee concerning the Council's financial outturn position.

2.2 The report attached as **Appendix 1** will be presented to the Council's Cabinet on 29th July 2021.

3 Reasons for Recommendation

3.1 These are detailed in the attached report.

3.2 To ensure that the Audit and Corporate Governance Scrutiny Committee are kept informed of the Council's latest financial outturn position.

4 Alternative Options and Reasons for Rejection

4.1 These are detailed in the attached report.

DOCUMENT INFORMATION

Appendix No	Title
1	Cabinet Report 29 July 2021
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Report Author	Contact Number
Jayne Dethick – Head of Finance and Resources	01246 217078

North East Derbyshire District Council

Cabinet

29 July 2021

Medium Term Financial Plan - Financial Outturn 2020/21

Report of the Portfolio Holder with Responsibility for Finance

Classification: This report is public

Report By: Jayne Dethick, Head of Finance and Resources (S151 Officer)

Contact Officer: as above

PURPOSE/SUMMARY

To inform Cabinet of the outturn position of the Council for the 2020/21 financial year.

RECOMMENDATIONS

1. That Cabinet note the outturn position in respect of the 2020/21 financial year
2. That Cabinet approve the proposed carry forward of revenue budgets as detailed in 2.9 totalling £0.087m.
3. That Cabinet approve the proposed carry forward of capital budgets detailed in **Appendix 3** totalling £6.960m.

Approved by the Portfolio Holder – Yes

IMPLICATIONS

<u>Finance and Risk</u>	Yes ✓	No
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The financial implications are set out within the body of the report.

Members should note that the budgets against which we have monitored the 2020/21 outturn were those agreed within the Council’s Medium Term Financial Plan. The Medium Term Financial Plan gave careful consideration to both the affordability of the budgets that were approved, and to ensuring that the level of balances remained adequate for purposes of enabling sound financial management.

The issue of financial risk is covered throughout the report. The risk of not achieving a balanced budget, together with the risk that the Council's level of financial balances will be further eroded are currently key corporate risks identified on the Council's Strategic Risk Register. The outturn report shows the budget has been balanced in 2020/21 and the level of reserves protected.

While the Council has effectively addressed its Strategic Financial Risks during 2020/21 it needs to be recognised that it will need to continue to meet a range of challenging savings targets if it is to operate effectively within the financial environment established by Central Government spending targets. This has been an intrinsic part of the budget setting process and will continue to be so.

During the year the main impact on the budget was the Covid 19 pandemic which inevitably had a detrimental impact on the Council's financial position. Whilst additional costs were incurred as a result of the pandemic the main pressure came from lost income from fees and charges, predominantly within leisure services but also from other services such as MOT testing.

Covid Response grant funding of £1.440m has been received from the Government during the year to aid the continued delivery of council services. In addition the Government have compensated for a proportion of the income lost from fees and charges, such as leisure centre income.

On Behalf of the Section 151 Officer

Legal including Data Protection

Yes ✓

No

The Statement of Accounts is required to be prepared by the 30 September this year. The Council has now completed the draft Statement of Accounts and they have been signed off by the Chief Financial Officer as at 17 June 2021 which secures compliance with the Council's obligations.

On Behalf of the Solicitor to the Council

Staffing

Yes

No ✓

There are no staffing issues arising directly from this report.

On Behalf of the Head of Paid Service

DECISION INFORMATION

<p>Is the decision a Key Decision?</p> <p>A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/></p>	<p>Yes</p>
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<p>Capital - £150,000 <input type="checkbox"/></p> <p>NEDDC: Revenue - £100,000 <input checked="" type="checkbox"/></p> <p>Capital - £250,000 <input checked="" type="checkbox"/></p> <p><input checked="" type="checkbox"/> Please indicate which threshold applies</p>	
Is the decision subject to Call-In?(Only Key Decisions are subject to Call-In)	Yes
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

REPORT DETAILS

1 Background

The Head of Finance and Resources is responsible for the preparation of the authority's Statement of Accounts which, in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in United Kingdom ("the Code"), is required to present a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March 2021.

2 Financial Outturn 2020/21

- 2.1 The Council published its draft Statement of Accounts in respect of 2020/21 on 17 June 2021, ahead of the statutory deadline of 30 September 2021. Due to the continued impact of the Coronavirus pandemic, the deadline for completion this year has been moved from 31 May to 31 July, however the draft accounts have been completed ahead of this is in order to facilitate the External Auditor's work schedule. The draft Statement of Accounts 2020/21 is now subject to the independent audit from the Council's external auditors, Mazars. Until the accounts have been signed off by the external auditors, there remains the possibility that they will be subject to amendment. The final audited accounts will be reported to and approved by the Audit & Corporate Governance Scrutiny Committee at its meeting of 22 September 2021.
- 2.2 International Financial Reporting Standards (IFRS) dictates that the main focus of the Statement of Accounts is on reporting to the public in a format which is directly comparable with every country that has adopted IFRS i.e. not just UK or even other local authorities. By contrast, the focus of this report is on providing management information to Members and other stakeholders to assist in the financial management of the Council.
- 2.3 The following sections of this report will consider the 2020/21 outturn position in respect of the General Fund, Housing Revenue Account (HRA), Capital Programme and Treasury Management activities. Within the report, consideration is given to the level of balances at the year end and the impact which the closing position has upon the Council's budgets in respect of the current financial year.

General Fund

- 2.4 The position in respect of the General Fund outturn is detailed in Table 1 below. The table shows the Original Budget that was set in February 2020, together with the Current Budget compared to the final 2020/21 Outturn position. **Appendix 1** provides a more detailed breakdown by directorate.

Table 1

	Original Budget 2020/21	Current Budget 2020/21	Outturn 2020/21	Variance
	£'000	£'000	£'000	£'000
Environment & Enforcement	4,332	4,747	3,981	(766)
Corporate Resources	6,044	3,729	3,966	237
Growth & Economic Development	1,512	678	609	(69)
Recharges to Capital and HRA	(527)	(527)	(556)	(29)
Savings Target	(217)	0	0	0
Net Cost of Services	11,144	8,627	8,000	(627)
Investment Properties	(437)	(469)	(527)	(58)
Bad Debt Provision	40	40	99	59
Interest	(133)	(162)	(42)	120
Debt Repayment Minimum Revenue Provision	56	56	56	0
Parish Precepts	3,295	3,295	3,295	(0)
Parish Council Tax Support Grant	70	70	70	0
Transfer To Earmarked Reserves	20	6,894	11,759	4,865
Transfer From Earmarked Reserves	(258)	(5,004)	(5,245)	(241)
Total Spending Requirement	13,797	13,347	17,465	4,118
Business Rates	(3,650)	(3,200)	(7,318)	(4,118)
New Homes Bonus	(824)	(824)	(824)	0
Collection Fund (Surplus)/Deficit - Council Tax	(99)	(99)	(99)	0
Collection Fund (Surplus)/Deficit - NNDR	0	0	0	0
NEDDC Council Tax Requirement	(5,929)	(5,929)	(5,929)	0
Parish Council Tax Requirement	(3,295)	(3,295)	(3,295)	0
Council Tax Requirement	(13,797)	(13,347)	(17,465)	(4,118)

- 2.5 A subjective breakdown of the variances identified in Table 1 can be found in Table 2 below. A detailed breakdown of the amounts making up the transfers to and from reserves can be found in Tables 3 and 4.

2.6 The NNDR variance of £4.118m relates to Section 31 grants received to offset reliefs given to businesses during lockdown. These grants are received in the General Fund but will not be discharged into the Collection Fund until 2021/22. These have therefore been transferred to the NNDR earmarked reserve to fund the reliefs in 2021/22.

Table 2

	Current Budget 2020/21	Outturn 2020/21	Variance
	£'000	£'000	£'000
Vacancy management	15,480	15,131	(349)
Premises related costs	1,305	1,280	(25)
Vehicle related costs	487	386	(101)
Supplies & services	9,786	18,708	8,922
Year end adjustment for Rent Rebates (DWP)	17,614	17,404	(210)
Income	(36,045)	(44,909)	(8,864)
Net cost of services	8,627	8,000	(627)

2.7 Table 2 comprises:

- Vacancy management – the largest proportion of the under spend is attributable to employee salaries as a result of staff vacancies
- Premises related costs – the underspend relates mainly to reduced spend on contract cleaning and building maintenance
- Vehicle related costs – the main underspends are due to reduced spend on fuel, car and vehicle tax.
- Supplies & services – the main variance relates mainly to Covid19 grant payments, treated as Agency grants for accounting purposes and therefore accrued. It also includes LADGF grant payments entirely offset by grant income received (see Income below)
- Rent Rebates – this relates to the year end adjustment on completion of the annual Housing Subsidy claim,
- Income - the variance relates mainly to Government Covid19 Grants received, treated as Agency grants for accounting purposes and therefore accrued. It also includes LADGF grant income entirely offset by grant payments (see Supplies & Services above)

2.8 Two budgets have been identified for which there is a requirement to roll over into 2021/22. The first is for the purchase of gymnastic mats (£0.007m) that should have arrived by 31 March but a delay in the supply chain due to Covid-19 meant they weren't received on time. The second is for the Joint ICT Service where it is proposed that the under spend £0.080m be carried forward for utilisation on services during 2021/22. The total amount to be rolled over is £0.087m.

Financial Reserves

2.9 Transfers from Earmarked Reserves

The use of earmarked reserves in 2020/21 was £5.245m comprising:

- £3.895m from revenue grants
- £1.238m from earmarked reserves
- £0.112m from the Invest to Save Reserve

There are ongoing commitments against these reserves in 2021/22 and future years so will continue to be utilised.

The variances in Movement from Reserves can be found in Table 3 below.

Table 3

	Current Budget 2020/21	Outturn 2020/21	Variance
	£'000	£'000	£'000
Movements from Reserves:			
Revised Budget	(4965)	(4,965)	0
Plus:			
Transfer from Resilience Reserve for Court Costs unrecovered	0	(213)	(213)
Section 106 Grant	(39)	(67)	(28)
Total movement from reserves - outturn	(5,004)	(5,245)	(241)

2.10 Transfers to Earmarked Reserves

There have been transfers to earmarked reserves during 2020/21 totalling £11.759m. These comprise:

- £5.256m in revenue grants received.
- £6.353m into earmarked reserves. The main variances are £4.118m relating to NNDR receipt of Section 31 grants received (see 2.8 above) and £1.440m relating to the Covid19 response grant received.
- £0.150m additional contribution to earmarked reserves to cover the commitment for the cost of defending planning appeals in 2021/22.

The variances on the Movement to Reserves can be found in Table 4 below.

Table 4

	Current Budget 2020/21	Outturn 2020/21	Variance
	£'000	£'000	£'000
Movements to Reserves:			
Revised Budget	5,383	5,383	0
Plus:			
General Fund outturn surplus	0	594	594

NNDR S31 Grants (see 2.6 above)	0	4,118	4,118
Contribution to Planning Appeals reserve	0	150	150
Covid Response Grant	1,511	1,514	3
Total movement to reserves	6,894	11,759	4,865

2.11 The outturn surplus of £0.594m has been transferred to the Resilience Reserve as approved in the Medium Term Financial Plan.

2.12 Ongoing commitments against the earmarked reserves which will continue in 2021/22 and future years. Should any of the reserves prove unnecessary in the light of subsequent events then they will be moved back into unallocated General Fund resources.

Covid Grants

2.13 Undoubtedly the biggest challenge faced over the past year has been the administration of a range of grant and relief schemes on behalf of the Government. Some of the schemes are fully reimbursed whilst others are a set allocation. The eligibility criteria for these schemes are set out in government guidance and throughout the year the Council has worked closely with the Department for Business, Energy and Industrial Strategy (BEIS) to deliver all grant and relief schemes as swiftly as possible to qualifying business owners and individuals across the district. The Covid19 grants received during 2020/21 are shown in Table 5 below.

Table 5:

Covid19 Grants	Grant Received	Expenditure	Grant Carried Forward to 2021/22	Grant Transfer to Reserves
	£'000	£'000	£'000	£'000
<u>Agency Grants</u>				
Small Business Grant Fund (SBGF) & Leisure Grant Fund (RHLGF)	(19,070)	19,070	0	
Local Restrictions Support Grants (Closed)	(5,367)	4,673	(694)	
Christmas Support Payments	(77)	59	(18)	
Closed Business Lockdown Payments	(3,465)	3,005	(460)	
Local Restrictions Support Grant (Open)	(278)	183	(95)	
Covid19 Test & Trace	(223)	114	(109)	
<u>Principal Grants</u>				
Local Authority Discretionary Grants (LADGF)	(961)	961		0
Additional Restrictions Grants (ARG)	(2,931)	2,344		(587)
Covid19 Response Grant (via Resilience Reserve)	(1,440)	1,063		(377)
Council Tax Hardship	(776)	616		(160)
Homelessness during lockdown	(125)	125		0
Covid19 Compliance & Enforcement	(44)	35		(9)
Covid19 Enforcement	(50)	0		(50)
Compensation Scheme	(1,050)	1,050		0
New Burdens - SBGF & RHLG	(130)	0		(130)
New Burdens - LADGF	(58)	5		(53)
New Burdens - Business Rates Admin Costs	(23)	0		(23)
Total	(36,068)	33,303	(1,376)	(1,389)

Invest to Save

- 2.14 The Invest to Save Reserve has a balance at the end of the year of £3.411m. Commitments already made against this reserve for 2021/22 and future years amount to £0.868m leaving £2.543m uncommitted.

Resilience Reserve

- 2.15 The Resilience Reserve has a balance at the end of the year of £2.320m. This will be utilised to provide financial resilience to the General Fund in future years as required by Medium Term Financial Plan. Ongoing pressures arising from the Covid pandemic will continue to be met from this reserve.

General Fund Balances

- 2.16 The level of General Fund Balances has been maintained at £2.000m. The General Fund balances are considered to be at an acceptable level rather than generous. The General Fund balance needs to be considered against the background of ongoing reductions in the level of Government funding together with the range of risks facing the Council. With only a limited level of General Fund reserves it is crucial that the Council continues to maintain robust budgetary control while securing its ongoing savings targets in order to safeguard both its reserves and its financial sustainability.
- 2.17 Given the current level of general balances, should either an over spend or an under achievement of income occur then the Council would have a period of time in which to recover the situation. In a situation in which the Council were operating at a lower level of balances and an overspend or an under achievement of income occurred which took balances to below minimum level then immediate 'crisis' remedial action would need to be considered. Such a response is not conducive to sound financial management but more importantly would have a significant detrimental impact upon the Council's ability to deliver the planned and agreed level of services to local residents. However, Cabinet will recognise that given a level of General Fund Balances of £2.000m, against the requirement to secure £5.653m in savings by 2024/25, as identified in the Medium Term Financial Plan (MTFP) of January 2021, the need to continue to tackle the underlying forecast budget deficit remains.
- 2.18 The main feature of the 2020/21 financial year is that the Council successfully achieved in full the savings target of £0.217m (MTFP February 2020). Efficiencies of £0.217m were identified as part of the budget process and a further £0.594m at Outturn and this has been moved to the Resilience Reserve.
- 2.19 The annual review of budgets will consider ongoing expenditure budget savings or additional income levels from 2020/21 that are anticipated to be available in future years to ease the current budget shortfalls in the current MTFP as shown in Table 6 below. This review will also take account of the impact of the Covid-19 pandemic on the budget, as the roadmap to recovery continues.

Table 6

	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000
Budget Shortfall - MTFP Feb 2021	133	1,055	1,855	2,610
Efficiencies identified to date (removed from budget)	(200)	(200)	(200)	(200)
Current Budget Shortfall	(67)	855	1,655	2,410
Efficiencies Identified <u>not yet realised</u>	(117)	(448)	(660)	(776)
Projected Budget Shortfall	(184)	407	995	1,634

Housing Revenue Account (HRA)

- 2.20 The Housing Revenue Account is provided in **Appendix 2** to this report. The figures provided include all the statutory accounting transactions that the Council is required to make within the Statement of Accounts. These are accounting transactions which net off to zero and are not included within the HRA management budgets as they do not impact on the overall financial position or balances of the HRA. To allow comparison between budget and outturn these accounting adjustments are included within both the adjusted budget and outturn position.
- 2.21 The Housing Revenue Account position shows a number of relatively minor variances during the year. Income is just £0.033m below budget. The overall expenditure position is £0.082m above the current budget mainly due to an increase in the bad debt provision in year. This gives a net cost of services over spend of £0.115m, adjusting to £0.016m over spend after interest. A contribution of £1.890m has been made to the Development Reserve which is available to sustain the Council's housing stock.
- 2.22 The HRA balance is being maintained at £3m in line with the level of financial risk facing the HRA. Maintenance of this balance is necessary as it will help ensure the financial and operational stability of the HRA which is essential if we are to maintain the level of services and quality of housing provided to our tenants. Given the changes to the rent setting process together with the increasing numbers of houses lost under Right to Buy the Council and Rykneld Homes will need to continue to work closely together in order to ensure the continued sustainability of the HRA over the life of the 30 year Business Plan.

Capital Investment Programme

- 2.23 Details of the capital expenditure incurred by the Council in 2020/21 on a scheme by scheme basis is provided in **Appendix 3**
- The Capital Programme may be summarised as follows:-

	Current Programme £m	Outturn £m	Variance £m
HRA	19.869	11.173	(8.696)
General Fund	2.688	1.543	(1.145)
Programme Total	22.557	12.716	(9.841)

2.24 HRA Schemes

The housing investment programme was underutilised during 2020/21 and the EWI scheme work was also behind programme these were due to a slow-down of work due to Covid-19 restrictions, but work has now recommenced. The acquisitions and disposals budget was not utilised during 2020/21 due to no purchasing schemes being viable during that time.

2.25 General Fund

The General Fund element of the Capital Programme during 2020/21 was relatively limited. The vehicle replacement scheme shows a variance of £0.564m which is being carried forward to be available to fund the purchase of vehicles in the future financial years as required. The asset refurbishment variance amounted to £0.436m due to schemes not being able to commence due to Covid-19 restrictions and a change in the scope of works for certain projects.

2.26 **Appendix 3** also details the proposed carry forward amounts to 2020/21. These requests relate to individual schemes that are still in progress, where there are outstanding commitments or where the scheme has been delayed. The total amounts to £6.960m with the impact on the 2021/22 capital programme detailed in the appendix. It should be noted that all these expenditure requirements will take forward a corresponding level of financial resources and thus have a neutral impact on the financial position in 2021/22.

Capital Financing

2.27 **Appendix 3** also details how each scheme is financed. In summary:

HRA Capital Financing

2.28 The HRA Capital Programme is financed from a combination of capital receipts, revenue contributions, prudential borrowing, use of reserves and grants.

General Fund Capital Financing

2.29 The General Fund Capital Programme is financed from a combination of capital receipts, revenue contributions, prudential borrowing and grants. The Prudential Borrowing financing arrangements were agreed by Council as part of the Treasury Management Strategy at its meeting in February 2020.

Treasury Management

2.30 **Appendix 4** provides a brief report on the Treasury Management activity of the Council for 2020/21. In summary the Council operated throughout 2020/21 within the Authorised

Limit and Operational Boundary limits approved in the Treasury Management strategy as approved by the Council in February 2020.

2.31 The key points from the summary report are:

- The overall borrowing requirement of the Council was £183.170m at 31 March 2021.
- The PWLB debt is £149.238m at 31 March 2021.
- Effective internal borrowing is £33.932m at 31 March 2021
- No new PWLB borrowing was undertaken in 2020/21
- PWLB interest paid in year was £5.275m
- Interest received in year on investments was £0.050m
- Repaid PWLB debt in year of £0.303m

3 Reasons for Recommendation

3.1 General Fund

During the previous financial year the Council managed its budget effectively securing a favourable financial outturn position despite many challenges faced during the Coronavirus pandemic. In particular the Council successfully met its financial savings target of £0.217m. A contribution of £0.594m has been made to the Resilience Reserve from efficiencies identified in the revised budget and at outturn. Two budgets have been identified for rollover into 2020/21 totalling £0.087m

3.2 HRA

The HRA continues to operate within the parameters set by the 30 Year Business Plan and the MTFP. Officers will be working with Rykneld Homes to ensure that the Business Plan continues to reflect the impact of recent government legislation, and that the HRA remains sustainable over the 30 year period of the Business Plan.

3.3 Capital Programme

The Capital Programme saw progress on approved schemes during the 2020/21 financial year despite the disruptions due to the Coronavirus pandemic. There are, however, a limited number of schemes which are work in progress and this requires that the associated expenditure and funding be carried forward into the 2021/22 financial year.

3.4 Capital Financing

Capital expenditure during 2020/21 has been fully financed in line with the approved programme.

3.5 Treasury Management

The Council operated in line with its agreed Treasury Management Strategy during the 2020/21 financial year. This ensures that lending and borrowing arrangements were prudent and sustainable, minimising the risk of financial loss to the Council. Effective management of these arrangements ensured that interest costs during the year were

minimised in order to assist the Council's revenue position whilst interest receivable reduced slightly.

4 Alternative Options and Reasons for Rejection

- 4.1 The financial outturn report for 2020/21 is primarily a factual report detailing the actual position compared to previously approved budgets therefore there are no alternative options that need to be considered.
- 4.2 The allocation of resources to earmarked reserve accounts has been undertaken in line with the Council's policy and service delivery framework and in the light of the risks and issues facing the Council over the period of the current MTFP. If these risks do not materialise or are settled at a lower cost than anticipated then the earmarked reserves will be reassessed and returned to balances where appropriate.

DOCUMENT INFORMATION

Appendix No	Title
1	General Fund Outturn detail 2020/21
2	HRA Outturn 2020/21
3	Capital Expenditure Outturn 2020/21
4	Treasury Management Outturn 2020/21
Background Papers	
Report Author	Contact Number
Jayne Dethick – Head of Finance and Resources	(01246) 217078

		Current Budget 2020/21 £	Outturn 2020/21 £	Variance £
<u>Environment & Enforcement</u>				
Director Environment & Enforcement				
5700	Strategic Director - Environment & Enforcement	54,892	55,538	646
5706	HS2	(3,550)	(3,546)	4
1218	Community Safety	20,080	33,038	12,958
Head of Service Environmental Health				
1283	Emergency Planning	17,447	16,447	(1,000)
3400	Environmental Protection	71,122	84,403	13,281
3401	Food, Health & Safety	151,130	151,659	529
3402	Environmental Enforcement	93,382	78,149	(15,233)
3403	Community Outreach	0	0	0
3404	Licensing	(12,013)	(14,748)	(2,735)
3405	Pollution	106,682	97,355	(9,327)
3407	Pest Control	49,180	41,422	(7,758)
3408	Home Improvement	20,477	19,781	(696)
3409	EH Technical Support & Management	237,688	222,759	(14,929)
3410	Private Sector Housing	70,010	58,471	(11,539)
3419	Destitute Funerals	1,500	(2,336)	(3,836)
3420	Fly Tipping	0	91	91
3422	Building Resilience Programme (Shirebrk)	0	(2,064)	(2,064)
3423	Air Quality Feasibility Study	100,470	100,470	(0)
3426	Covid Enf Team	(59,407)	(59,407)	0
3726	Works In Default	0	(2,290)	(2,290)
Head of Service Street Scene				
3174	Street Scene	311,875	319,457	7,582
3227	Materials Recycling	424,045	424,045	0
3231	Recycling Promotional Work	0	0	0
3244	Parks Derbyshire County Council Agency	(360,000)	(359,667)	333
3282	Eckington Depot	99,200	106,164	6,964
3285	Dronfield Bulk Depot	3,500	3,493	(7)
3511	Hasland Cemetery	(43,290)	(50,917)	(7,627)
3513	Temple Normanton Cemetery	(8,080)	(6,593)	1,487
3514	Clay Cross Cemetery	(63,200)	(71,109)	(7,909)
3516	Killamarsh Cemetery	(15,770)	(23,010)	(7,240)
3918	Dog Fouling Bins	(56,160)	(61,790)	(5,630)
3921	Street Cleaning Service	582,230	549,014	(33,216)
3943	Transport	463,040	298,918	(164,122)
3944	Grounds Maintenance	528,160	449,517	(78,643)
3945	Domestic Waste Collection	1,564,435	1,581,144	16,709
3946	Commercial Waste Collection	(149,182)	(212,266)	(63,084)
Head of Service Planning				
4111	Applications And Advice	(554,000)	(810,705)	(256,705)
4113	Planning Appeals	75,486	75,486	(0)
4116	Planning Policy	281,958	254,837	(27,121)
4311	Environmental Conservation	17,650	16,310	(1,340)
4511	Hos Planning	54,680	54,883	203
4513	Planning	646,778	547,148	(99,630)
4515	Building Control	58,000	54,500	(3,500)
4522	Section 106 Agreement	(33,238)	(33,238)	(0)
Total for Environment & Enforcement Directorate		4,747,207	3,980,811	(766,396)
<u>Corporate Resources</u>				
Director Corporate Resources				
4500	Strategic Director - Corporate Resources	57,132	61,220	4,088
5720	Supporting PA's	84,990	84,784	(206)

		Current Budget 2020/21	Outturn 2020/21	Variance
Head of Service Partnerships and Transformation				
1315	Design & Print	120,310	96,221	(24,089)
1321	Communications & Marketing	60,530	59,550	(980)
1323	NEDDC News	25,000	26,984	1,984
1329	Corporate Web Site	1,670	548	(1,122)
1331	Strategic Partnerships	155,645	154,559	(1,086)
1332	Strategic Partnership Projects	0	1,772	1,772
1333	Healthy North East Derbyshire	42,566	42,566	(0)
1334	NE Derbyshire Business Growth Fund	4,000	4,000	0
1335	Big Local	0	0	0
4352	LEADER	0	0	0
4443	Elderly Peoples Clubs	2,000	589	(1,411)
4561	Leisure Centre Management	128,114	119,534	(8,580)
4600	Hos Partnerships & Transformation	35,612	35,888	276
4720	Sportivate	0	0	0
4722	Physical Inactivity Fund	0	0	0
4723	Generation Games	0	0	0
4724	Walking into Communities	11,000	11,000	0
4726	Walking for Health	0	0	0
4727	Five 60	0	0	0
4731	Promotion Of Recreation And Leisure	29,910	29,678	(232)
4732	Schools Promotion	6,373	6,373	0
4736	Derbyshire Sports Forum	14,450	14,450	0
4739	Coach Core Apprentices	0	0	0
4742	Arts Development	2,530	2,524	(6)
5215	Telephones	29,220	32,612	3,392
5216	Mobile Phones and Ipads	19,125	20,374	1,249
5221	Customer Services	353,295	318,584	(34,711)
5223	Franking Machine	47,700	45,060	(2,640)
5701	Joint ICT Service	(51,633)	(51,633)	(0)
5734	NEDDC ICT Service	421,476	434,558	13,082
5735	Cyber Security	(3,207)	(3,206)	1
5736	Business Development	51,077	75,410	24,333
5737	Corporate Printing Costs	15,790	13,264	(2,526)
5785	Contributions	136,085	128,768	(7,318)
5825	Concessionary Bus Passes	(9,600)	(10,187)	(587)
8441	Eckington Swimming Pool	269,907	269,907	0
8445	Eckington Pool Cafe	2,313	2,313	0
8451	Dronfield Sports Centre	168,312	168,312	(0)
8455	Dronfield Café	(23,622)	(23,622)	(0)
8461	Sharley Park Sports Centre	434,069	434,069	0
8465	Sharley Park Sports Centre Outdoor	(590)	109	699
8471	Killamarsh Leisure Centre	0	891	891
Head of Service Corporate Governance				
1121	Member's Services	427,328	416,686	(10,642)
1123	Chair's Expenses	6,720	4,737	(1,983)
1133	Parish Elections	0	(5,364)	(5,364)
1135	European Elections	0	(23,261)	(23,261)
1137	Parliamentary Elections	0	0	0
1138	Pokice & Crime Commissioner Elections	0	0	0
1139	County Council Elections	0	0	0
1141	Chief Executive	300	300	0
1142	Chief Executive	38,675	58,456	19,781
1231	Corporate Training	27,500	23,623	(3,877)
1255	Strategy and Performance	106,386	102,509	(3,877)
1256	Corporate Consultation	13,148	12,671	(477)
1259	Corporate Groups	1,000	0	(1,000)
1311	Human Resources	184,595	171,915	(12,680)
3121	Health & Safety Advisor	64,682	65,174	492
5273	Brass Band Concert	500	500	0
5313	Register Of Electors	170,942	154,358	(16,584)
5321	HoS Corporate Governance	40,353	40,456	103

		Current Budget 2020/21	Outturn 2020/21	Variance
5353	Legal Section	170,028	158,737	(11,291)
5354	Land Charges	(6,650)	(16,623)	(9,973)
5392	Scrutiny	51,375	51,313	(62)
5711	Democratic Services	203,135	195,112	(8,023)
Head of Service Finance and Resources				
1312	Payroll	55,553	54,828	(725)
3176	Pool Car	500	78	(422)
3512	CBC Crematorium	(173,000)	(206,149)	(33,149)
5113	Unison Duties	16,310	16,586	276
5611	External Audit	67,510	81,131	13,621
5615	Bank Charges	74,500	78,589	4,089
5621	Contribution to/from HRA	(185,600)	(185,450)	150
5713	Audit	107,030	93,151	(13,879)
5714	Financial Support Services	2,130	1,709	(421)
5715	Procurement	46,244	41,004	(5,240)
5721	Financial Services	304,809	280,541	(24,268)
5724	Insurance	286,508	279,871	(6,637)
5725	Apprenticeship Levy	45,000	40,157	(4,843)
5727	Cost Of Ex-Employees	936,000	901,417	(34,583)
5728	Covid Response	(1,224,406)	(1,224,406)	(0)
5729	Additional Restrictions Grant	(586,693)	(586,693)	0
5730	Local Restriction Support Grant (Closed)	0	0	0
5731	Local Restriction Support Grant (Open)	0	0	0
5732	Christmas Support Payments	0	0	0
5738	Closed Business Lockdown Payments	0	0	0
5739	LAGDF	0	0	0
5740	Council Tax Hardship	(159,678)	(159,678)	(0)
5741	Housing Benefit Service	(81,137)	185,497	266,634
5742	Test and Trace	0	0	0
5745	Covid New Burdens	(205,923)	(205,923)	(0)
5747	Debtors	50,255	50,244	(11)
5751	`NNDR Collection	(2,596)	462	3,058
5759	Council Tax Administration	199,592	394,943	195,351
5781	Village Hall Grants	14,870	14,867	(3)
Total for Corporate Resources Directorate		3,729,344	3,965,894	236,550

Growth & Economic Development

Director Growth & Economic Development				
1143	Director of Growth & Economic Development	63,510	66,414	2,904
Head of Service Property & Estates				
3135	Drainage	38,475	18,521	(19,954)
3172	Engineers	80,065	79,425	(640)
3241	Car Parks	41,890	40,949	(941)
3247	Street Names/Lights	4,230	3,359	(871)
3249	Footpath Orders	(1,200)	(1,970)	(770)
3265	Dams And Fishing Ponds	2,595	146	(2,449)
3281	Clay Cross Depot	(1,070)	1,213	2,283
3811	Closed Circuit Television	0	(620)	(620)
4412	Midway Business Centre	(63,445)	(77,608)	(14,163)
4425	Coney Green Business Centre	(158,040)	(90,562)	67,478
4523	Estates Administration	287,100	277,605	(9,495)
5205	Mill Lane	230,281	215,231	(15,050)
5206	Mill Lane Land	(5,150)	(8,813)	(3,663)
5209	Facilities Management	51,225	45,169	(6,056)
5210	Pioneer House	(51,593)	(22,333)	29,260
Head of Service Housing & Economic Development				
3165	Housing Options Team	203,003	203,652	649
3740	Strategic Housing	55,982	57,524	1,542

		Current Budget 2020/21	Outturn 2020/21	Variance
3743	Manufacturing Zone Bid	15,960	15,960	0
3747	Homeless Temp Accomodation	16,665	(10,648)	(27,313)
3748	Homelessness Grant	(77)	(6,610)	(6,533)
3749	Empty Properties	4,312	4,312	(0)
3750	Housing Growth	16,295	16,296	1
3752	Homeless Bond Scheme	7,230	7,963	733
3754	Rough Sleepers	(156,767)	(156,766)	1
3755	PRS Access Fund	37,500	37,500	0
3759	Emergency Welfare Assistance Grant	(27,480)	(27,480)	0
4211	Tourism Promotions	18,500	10,500	(8,000)
4238	Working Communities Strategy	70,925	69,456	(1,469)
4512	Growth Agenda	13,430	10,327	(3,103)
4517	Economic Development	156,700	160,064	3,364
4519	The Avenue, Wingerworth	4,750	4,750	0
4520	Killamarsh/Eckington OPE	35,587	35,588	1
4524	New Towns Fund	(364,030)	(364,030)	(0)
4526	Sheffield City Region	4,000	(19,618)	(23,618)
4527	Dronfield Civic Centre	1,960	1,960	0
5750	HoS Economic Development & Housing	45,330	12,616	(32,714)
Total for Growth & Economic Development Directorate		678,648	609,441	(69,207)
Investment Properties				
4411	Stonebroom Industrial Estate	(59,700)	(63,234)	(3,534)
4413	Clay Cross Industrial Estate	(84,600)	(85,900)	(1,300)
4415	Norwood Industrial Estate	(225,400)	(237,684)	(12,284)
4417	Eckington Business Park	(6,200)	(14,225)	(8,025)
4418	Rotherside Court Eckington Business Unit	(23,720)	(43,164)	(19,444)
4423	Pavillion Workshops Holmewood	(89,800)	(94,967)	(5,167)
4432	Miscellaneous Properties	20,150	11,874	(8,276)
Total for Investment Properties		(469,270)	(527,301)	(58,031)

HOUSING REVENUE INCOME & EXPENDITURE ACCOUNT 2020/21

	A	B	C	D	E
	Current	Adjustments	Adjusted	Actual	Variance
	Budget	to aid	Current	2020/21	2020/21
	2020/21	comparison	Budget	2020/21	2020/21
	£000's	2020/21	2020/21	£000's	£000's
		£000's	£000's		
Income					
Dwelling Rents	(30,744)		(30,744)	(30,732)	12
Non-Dwelling Rents	(421)		(421)	(414)	7
Charges for Services and Facilities	(138)		(138)	(123)	14
Contributions Towards Expenditure	(50)		(50)	(50)	0
Total Income	(31,352)	0	(31,352)	(31,320)	33
Expenditure					
Repairs & Maintenance	5,156		5,156	5,143	(13)
Revenue Expenditure funded from Capital (REFCUS)	0	616	616	616	0
Supervision and Management	6,283		6,283	6,220	(62)
Rents, Rates & Taxes	110		110	127	17
Capital Charges - Depreciation	7,765		7,765	7,755	(9)
Increase in Provision for Bad Debts	250		250	399	149
Water Litigation Liability	1,053	0	1,053	1,053	0
Debt Management Expenses	12		12	12	0
Impairments & Revaluations	0	(2,475)	(2,475)	(2,475)	0
Total Expenditure	20,627	(1,860)	18,768	18,850	82
Net Cost of Services	(10,725)	(1,860)	(12,585)	(12,470)	115
Corporate & Democratic Core	185		185	185	0
Net Cost of all HRA services	(10,539)	(1,860)	(12,399)	(12,285)	115
(Gain)/Loss on sale of HRA fixed assets	0	1,983	1,983	1,983	0
Interest Payable	5,081		5,081	4,949	(133)
Revaluation of Investment Property	0	0	0	0	0
Interest Receivable	(61)		(61)	(27)	34
Capital Grants	0	(1,620)	(1,620)	(1,620)	0
(Surplus)/Deficit on HRA Services	(5,519)	(1,496)	(7,016)	(7,000)	16
MRP Voluntary Contribution	0		0	0	0
Transfers to/from Rykneld Homes Loss Reserve	0		0	0	0
Transfer to Capital Grant Reserve	0	1,045	1,045	1,045	0
Transfer to HRA Reserves - Insurance	50		50	50	0
Transfer to HRA Reserves - Development	3,883		3,883	1,890	(1,993)
Transfer to/from HRA Reserves - Debt Repayment Rese	(1,968)		(1,968)	0	1,968
Adjustments between accounting and funding basis	0	451	451	451	0
Transfers to/from Major Repairs Reserve	3,554		3,554	3,564	9
Transfer to HRA Balances	(0)	0	0	0	0
Housing Revenue Account Balances					
	Current			Actual	Variance
	Budget			2020/21	2020/21
	2020/21			£	£
	£				
HRA Opening Balance	(3,000)			(3,000)	0
Transfer fm Balances 20/21					
Transfer to Balances 20/21					
HRA Closing Balances	<u>(3,000)</u>			<u>(3,000)</u>	<u>0</u>

Project/Scheme	Current Programme 2020/21 £000	Outturn 2020/21 £000	Variance 2020/21 £000	Amount Carried Forward to 2021/22 £000	Original Programme 2021/22 £000	Current Programme 2021/22 £000
Housing Investment						
Housing Capital Works	9,164	7,600	(1,564)	1,564	10,647	12,211
Housing Capital Works - Non Traditional Properties	0	0	0	0	7,152	7,152
Garage Demolitions	23	9	(14)	14	23	37
Concrete Balconies	115	4	(111)	111	0	111
EWI Scheme - Heath	520	702	182	0	0	0
Pine View, Danesmoor	1,071	64	(1,007)	1,007	0	1,007
Parking Solutions	288	0	(288)	288	288	576
Green Homes EWI - Mickley	2,725	2,115	(610)	610	500	1,110
North Wingfield New Build Scheme	2,081	0	(2,081)	2,081	0	2,081
Stock Purchase Programme	2,752	1	(2,751)	0	3,000	3,000
Acquisitions & Disposal Scheme (RHL)	500	429	(71)	0	500	500
	19,239	10,924	(8,315)	5,675	22,110	27,785
Private Sector Spending - DFG	630	249	(381)	0	743	743
Total Housing Investment	19,869	11,173	(8,696)	5,675	22,853	28,528
Other Capital Projects						
Asset Refurbishment - General	667	231	(436)	436	500	936
Roller Shutter Doors	42	0	(42)	42	0	42
Eckington Swimming Pool Roof Replacement	77	53	(24)	0	0	0
Northwood Group Grant	510	510	0	0	0	0
Eckington Pool Carbon Efficiencies Programme	0	0	0	0	1,015	1,015
Lottery Funded Schemes	10	1	(9)	9	0	9
Replacement Vehicles	1,126	562	(564)	564	661	1,225
Contaminated Land	42	0	(42)	42	0	42
ICT Schemes	214	22	(192)	192	35	227
Killamarsh Leisure Centre Refurbishment	0	0	0	0	1,000	1,000
Loan Commitments - ECL	0	2	2	0	0	0
Section 106 Capital Expenditure	0	162	162	0	0	0
Total Other Capital Projects	2,688	1,543	(1,145)	1,285	3,211	4,496
Total Capital Expenditure	22,557	12,716	(9,841)	6,960	26,064	33,024
Housing Investment Funding						
HRA Capital Investment Reserve	(3,883)	(598)	3,285	(1,360)	(391)	(1,751)
Major Repairs Reserve	(11,319)	(9,321)	1,998	(2,174)	(17,174)	(19,348)
Prudential Borrowing - HRA	(1,476)	0	1,476	(1,476)	(2,100)	(3,576)
External Grant	(570)	(575)	(5)	0	(1,045)	(1,045)
Useable Capital Receipts	(1,991)	(430)	1,561	(665)	(1,400)	(2,065)
	(19,239)	(10,924)	8,315	(5,675)	(22,110)	(27,785)
Disabled Facilities Grant	(610)	(229)	381	0	(723)	(723)
Usable Capital Receipts	(20)	(20)	0	0	(20)	(20)
Total Housing Investment Funding	(19,869)	(11,173)	8,696	(5,675)	(22,853)	(28,528)
Other Capital Projects Funding						
Useable Capital Receipts	(1,468)	(765)	703	(628)	(535)	(1,163)
Prudential Borrowing	(1,126)	(562)	564	(564)	(1,661)	(2,225)
RCCO - General Fund	(42)	0	42	(42)	0	(42)
External Grant	(52)	(216)	(164)	(51)	(1,015)	(1,066)
Other Capital Project Funding	(2,688)	(1,543)	1,145	(1,285)	(3,211)	(4,496)
Total Capital Financing	(22,557)	(12,716)	9,841	(6,960)	(26,064)	(33,024)
HRA Development Reserve						
Opening Balance	(1,090)	(1,090)	0		(2,382)	(2,382)
Amount due in year	(3,883)	(1,890)	1,993		(856)	(856)
Amount used in year	3,883	598	(3,285)		391	1,751
Closing Balance	(1,090)	(2,382)	(1,292)		(2,847)	(1,487)
Major Repairs Reserve						
Opening Balance	(176)	(176)	0		(2,174)	(2,174)
Amount due in year	(11,319)	(11,319)	0		(17,174)	(17,174)
Amount used in year	11,319	9,321	(1,998)		17,174	19,348
Closing Balance	(176)	(2,174)	(1,998)		(2,174)	0
Capital Receipts Reserves						
Opening Balance	(1,384)	(1,384)	0		(1,407)	(1,407)
Income expected in year	(4,000)	(2,866)	1,134		(4,000)	(4,000)
Debt Repayment/Other Expenses	3,200	2,263	(937)		3,200	3,200
Amount used in year	1,251	580	(671)		1,028	1,183
Closing Balance	(933)	(1,407)	(474)		(1,179)	(1,024)
Capital Receipts Reserves 1-4-1 receipts						
Opening Balance	(1,909)	(1,909)	0		(1,275)	(1,275)
Income expected in year	(650)	(1,159)	(509)		0	(1,000)
Debt Repayment/Other Expenses	0	1,159	1,159		0	0
Amount used in year	2,151	634	(1,517)		1,105	2,065
Closing Balance	(408)	(1,275)	(867)		(170)	(210)

NEDDC Treasury Management Activity 2020/21**Capital Financing Requirement**

Treasury Management is the measurement and control of the overall debt position of the Council. This is calculated through the Capital Financing Requirement (CFR). The CFR calculates the Council's underlying need to borrow in order to finance its capital expenditure. The revised estimate of the CFR for 2020/21 and the actual outturn CFR are shown in the table below: -

	Current Budget 2020/21 £000's	Actual Outturn 2020/21 £000's
Capital Financing Requirement 1 April 2020	189,780	183,936
Prudential Borrowing Gen Fund – Vehicle Replacement	2,327	562
Prudential Borrowing HRA – North Wingfield Scheme	1,410	0
Minimum Revenue Provision (MRP)	(949)	(701)
Net repayment of other debt	(1,283)	(270)
Prudential Borrowing Gen Fund - Financing of Loan to Rykneld Homes	0	1,000
Prudential Borrowing Gen Fund - Financing of Loan to Northwood Group Ltd	(0)	263
Repayment of Allowable Debt	(1,800)	(1,620)
Capital Financing Requirement 31 March 2021	189,485	183,170

The overall position shows a net increase in outstanding debt of £0.766m during the year.

The actual CFR position also reflects the Council's repayment of allowable debt. When a Council dwelling is sold the Council is allowed to retain some of the capital receipts because it is carrying debt on each property following the HRA self-financing settlement in 2012. This is known as the allowable debt calculation. It is good practice that the retained receipt element for allowable debt is actually utilised to repay the debt outstanding on the sold houses otherwise the Council is carrying debt where it has no asset.

The Capital Financing requirement is split between the HRA and General Fund the balance of each is shown below:

Capital Financing Requirement at 31 March 2021	£000's
General Fund	13,370
Housing Revenue Account	169,800
Total CFR	183,170

Changes to the HRA Debt Cap

In October 2018 the legislation that capped the amount of HRA debt a local housing authority could hold was revoked with immediate effect. The capital financing requirements relating to the HRA will remain the same so there will still be no requirement for an MRP and levels of debt will be managed through prudential borrowing limits controlled by the Treasury Management Strategy approved by Council in February 2020. This is to ensure that all additional borrowing is prudent and affordable within the context of the HRA and should include:

- affordability over the life of the 30 year business plan;
- a clear case for demand/need in the district;
- generation of additional income.

Removing the debt cap and not having a statutory requirement to make a provision to repay debt presents a significant risk to the HRA. Very careful treasury management is needed to ensure that the Council’s HRA borrowing remains affordable, prudent and reasonable and that the HRA remains sustainable over the long term.

How the CFR is financed by the Council

The CFR is the Council’s underlying need to borrow to finance capital expenditure. To finance the CFR the Council has external borrowing, finance leases and the use of its own reserves and balances. The position as at 31 March 2021 is as follows:

	£000’s
Capital Financing Requirement 31 March 2020	183,170
Financed from	
External Borrowing via PWLB	149,238
Use of internal balances and reserves	33,932
Total Financing of CFR	183,170

The table above shows that the Council is effectively under borrowing by £33.932m at 31 March 2021. This means that no debt charges are being incurred on £33.932m of borrowing but also means that the funds are not being invested in the money market. However, the cost of borrowing from the PWLB would incur interest charges that are higher than the investment interest foregone. This position is regularly monitored and reviewed in line with forecast interest rates.

PWLB Borrowing

The Council's total outstanding PWLB debt amounted to £149.541m at 1 April 2020. During 2020/21 an amount of £0.303m was repaid leaving a balance at 31 March 2021 of £149.238m. During 2020/21 no new loans have been taken out with the PWLB. The profile of the outstanding debt is analysed as follows: -

PWLB BORROWING	Maturity Profile 31 March 2020 £000's	Maturity Profile 31 March 2021 £000's
Term		
12 Months	304	2,205
1 - 2 years	2,205	111
2 - 5 years	10,332	19,222
5 - 10 years	23,377	18,470
10 - 15 years	32,233	36,140
Over 15 years	81,090	73,090
Total PWLB Debt	149,541	149,238

PWLB Interest

The interest cost to the Council of the PWLB debt for 2020/21 is shown in the table below. The cost is split between the HRA and General Fund based on the level of debt outstanding within the CFR.

Date	Amount Paid to PWLB £000's
Less Accrued Interest re 2019/20	(46)
Interest Paid during 2020/21	5,275
Plus Accrued Interest re 2020/21	46
Total Paid	5,275

Temporary Borrowing

Cash flow monitoring and management serves to identify the need for short term borrowing to cover delays in the receipt of income during the course of the year. No interest charges from short term borrowing were incurred during the year. At the 31 March 2021 the Council had no temporary borrowing.

Temporary Investments

The tables below detail the short term investments made at various times during the financial year 2020/21: -

Bank Name	Duration of Loan	B/Fwd 01/04/20 £000's	Amount Invested 2020/21 £000's	Amount Returned 2020/21 £000's	Balance Invested 31/3/21 £000's	Interest Received 31/3/21 £000's
Santander	Call	3,000	2,003	(5,003)	0	(3)
Handelsbanken	Call	5,000	3	(5,003)	0	(3)
Barclays	Call	0	5,000	(5,000)	0	(0)
Natwest	Call	0	5,001	(5,001)	0	(1)
Federated Fund 3	Call	3,000	3	(3)	3,000	(3)
Federated GBP 3	Call	2,000	4	(4)	2,000	(4)
Aberdeen Standard	Call	5,000	6	(6)	5,000	(6)
CCLA Public Sector Deposit Fund	1 Day Call	5,000	8	(8)	5,000	(8)
Debt Management Account Deposit Facility	Various	0	27,000	(27,000)	0	(0)
Aviva	Call	0	5,004	(4)	5,000	(4)
Invesco	Call	0	5,002	(2)	5,000	(2)
JP Morgan	Call	0	8,000	(5,000)	3,000	(0)
Goldman Sachs	Call	0	10,000	(5,000)	5,000	(0)
SSGA	Call	0	10,500	(10,500)	0	
London Borough of Croydon Council	12 months	0	3,002	(2)	3,000	(2)
Gosport Borough Council	12 months	1,000	5	(1,005)	0	(5)
Slough Borough Council	12 months	2,000	9	(2,009)	0	(9)
Total		26,000	80,550	(70,550)	36,000	(50)

Overnight Investments

The maximum amount invested with Lloyds Bank in the financial year was £4.964m. There has been no breach of the £5m limit set in the Treasury Management Strategy.

Compliance with Treasury Limits

During the financial year the Council continued to operate within the treasury limits set out in the Council's Borrowing and Investment Strategy.

	Actual 2020/21 £000's	Set Limits 2020/21 £000's
Authorised Limit (total Council external borrowing limit)	193,170	199,485
Operational Boundary	188,170	194,485

North East Derbyshire District Council

Audit Committee

28 July 2021

Corporate Debt as at 30 June 2021

Report of the Head of Finance and Resources

Classification: This report is public

Report By: Jayne Dethick, Head of Finance and Resources

Contact Officer: as above

PURPOSE / SUMMARY

To present to Members of the Audit and Corporate Governance Scrutiny Committee a summary of the corporate debt position at 30 June 2021.

RECOMMENDATIONS

1. That the Audit and Corporate Governance Scrutiny Committee note the report concerning the Council's corporate debt position as at 30 June 2021.
-

IMPLICATIONS

Finance and Risk: Yes No

Details:

Appendix 1 details the current position regarding corporate debt. The impact of the pandemic on our customers' needs to be taken into account this year (and future years) and is likely to impact on the Council's ability to collect this debt. This may have a detrimental impact on the Council's financial position and is being closely monitored

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Click here to enter text. Details: Click here to enter text.

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

REPORT DETAILS

1 Background

- 1.1 The purpose of this report is to present to Members of the Audit and Corporate Governance Scrutiny Committee a summary of the corporate debt position at 31 March 2021.

2. Details of Proposal or Information

- 2.1 To update Members of the Audit and Corporate Governance Scrutiny Committee on the position regarding corporate debt.
- 2.2 Appendix 1 of this report details the debt position with regard to sundry debtors, overpaid housing benefit and rents.

3 Reasons for Recommendation

- 3.1 To ensure that the Audit and Corporate Governance Scrutiny Committee are informed of the latest position concerning the Council's debt

4 Alternative Options and Reasons for Rejection

- 4.1 This report is for information only.

DOCUMENT INFORMATION

Appendix No	Title
1	Corporate Debt as at 30-6-21
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	

APPENDIX 1: TABLE 1

Aged Debt Reporting – Sundry Debtors

Debt Outstanding as at	Current Debt	90 – 365 Days	1 to 2 years	2 – 3 years	3 – 4 years	4 – 5 years	5+ years	Total	Write Offs
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Average Debt 2015/16	972	201	76	27	23	33	25	1357	14
Average Debt 2016/17	1551	104	68	49	16	21	32	1839	58
Average Debt 2017/18	781	71	43	21	19	9	26	970	11
Average Debt 2018/19	852	64	112	19	9	10	24	1090	41
Average Debt 2019/20	605	39	22	22	16	7	24	871	3
Average Debt 2020/21	1,954	216	32	25	12	23	25	2,287	9
Average Debt 2021/22									
30 June 2021	1,028	157	60	23	9	24	32	1,333	0

Aged Debt Reporting – Overpaid Housing Benefits

Debt Outstanding as at	Current Debt	90 to 365 days	1 to 2 years	2 – 3 years	3 – 4 years	4 – 5 years	Over 5 years	Total	Write offs
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Average Debt 2015/16	182	336	263	172	160	133	209	1,445	76
Average Debt 2016/17	173	332	346	203	123	128	241	1,546	144
Average Debt 2017/18	141	318	322	256	157	105	283	1,582	89
Average Debt 2018/19	104	263	291	253	201	138	340	1,589	38
Average Debt 2019/20	75	137	259	247	212	173	425	1,527	68
Average Debt 2020/21	59	95	146	194	223	186	622	1,525	10
Average Debt 2021/22									
30 June 2021	29	114	134	167	221	182	664	1,513	0

HRA total Indebtedness

Debt Outstanding as at	Total	Write Offs in Year
	£000	£000
Average Debt 2015/16	2,203	266
Average Debt 2016/17	2,023	178
Average Debt 2017/18	2,028	203
Average Debt 2018/19	1,807	162
Average Debt 2019/20	1,928	208
Average Debt 2020/21	1,938	116
Average Debt 2021/22		
30 June 2021	2,303	0

SUMMARY OF PROVISION FOR DOUBTFUL DEBTS 2021/22

	General Fund Sundry Debtors	Over Paid Housing Benefit	HRA Rents	Total
	£000's	£000's	£000's	£000's
Balance B/Fwd	(229)	(1,374)	(1,147)	(2,750)
Write offs in current financial year	0	0	0	0
Actual increase in provision	0	0	0	0
Provision C/Fwd	(229)	(1,374)	(1,147)	(2,750)
Current Debt position	1,333	1,513	2,303	5,149
Percentage Coverage	17.18%	91.95%	49.8%	52.98%

North East Derbyshire District Council

Audit and Corporate Governance Scrutiny Committee

28 July 2021

Committee Work Programme 2021/2022

Report of the Joint Head of Corporate Governance and Monitoring Officer

Classification: This report is public
Report By: Nicola Calver
Contact Officer: Nicola Calver - 01246 217753

PURPOSE / SUMMARY

To enable the Audit and Corporate Governance Scrutiny Committee to review the Work Programme for the remainder of the municipal year 2021/2022.

RECOMMENDATIONS

1. That the Committee notes and approves the Audit and Corporate Governance Scrutiny Work Programme for the remainder of the 2021/2022 municipal year as set out in the attached **Appendix 1**.

Approved by the Portfolio Holder – Councillor M Foster

IMPLICATIONS

Finance and Risk: Yes No

Details:

Risk - the development of a Work Programme for the Audit and Corporate Governance Scrutiny Committee will provide an appropriate structure to assist and support the Committee's work. This will help to ensure that the Committee continues to operate effectively and that the Council's governance/scrutiny and accountability arrangements remain robust. The Programme is designed to allow the Audit and Corporate Governance Scrutiny Committee to continue its flexible approach to its and consider work the range of matters which are within its remit. There are no financial issues arising from the report.

On Behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details:

There are no legal issues or Data Protection matters arising directly from this report.

On Behalf of the Solicitor to the Council

Staffing: Yes No

Details:

There are no staffing issues arising from the report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Decision Information	
Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input checked="" type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
District Wards Significantly Affected	None
Consultation: Leader / Deputy Leader <input type="checkbox"/> Cabinet / Executive <input type="checkbox"/> SAMT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	Yes Details: Members of the Audit and Corporate Governance Scrutiny Committee

Links to Council Ambition (BDC)/Council Plan (NED) priorities or Policy Framework including Climate Change, Equalities, and Economics and Health implications.

None.

REPORT DETAILS

1 **Background** *(reasons for bringing the report)*

- 1.1 The Audit and Corporate Governance Scrutiny Committee considers a range of financial and governance issues on a regular basis. Given the number of matters that are examined by the Committee it is appropriate that an Annual Work Programme continues to be in place.
- 1.2 The Work Programme is set out in the attached **Appendix 1**. It should be recognised that the work plan is a live document to which matters may be added or removed as appropriate and approved by the Committee, including standing items.
- 1.3 The Work Programme enables Members to give structured consideration as to whether the proposed agenda items are appropriate and serve to meet the objectives of the Committee. That question needs to be considered in the light of the Council's Constitution, Chartered Institute of Public Finance and Accountancy (CIPFA) Guidance on the role of an Audit Committee and established good practice.

2. **Details of Proposal or Information**

- 2.1 To enable the Audit and Corporate Governance Scrutiny Committee to review the Work Programme for the remainder of the municipal year 2021/22.

3 **Reasons for Recommendation**

- 3.1 To enable the Committee to consider the Work Programme for the remainder of the 2021/22 municipal year.

4 **Alternative Options and Reasons for Rejection**

- 4.1 There are no other options proposed.

DOCUMENT INFORMATION

Appendix No	Title
1	Committee Work Programme 2021/22

Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below.)

If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)

[Click here to enter text.](#)

**AUDIT AND CORPORATE GOVERNANCE SCRUTINY COMMITTEE: PROPOSED
WORK PROGRAMME**

<u>DATE OF MEETING</u>	<u>ITEM</u>
22 September 2021	<ul style="list-style-type: none"> • Summary of Internal Audit Reports • Monitoring the Implementation of Internal Audit Recommendations • Performance Management • Corporate Debt • Financial Monitoring • Internal Audit Consortium Annual Report • External Review of Internal Audit • Annual Statement of Accounts and Going Concern Report 2020-21 • Annual Governance Statement and Code of Corporate Governance 2020/21 • Audit Completion Report 2020/21 • Letter of Representation 2020/21 • Risk Management • Report of the External Auditor – Progress report and Technical Update • Review of Work Programme
03 November 2021	<ul style="list-style-type: none"> • Summary of Internal Audit Reports • Monitoring the Implementation of Internal Audit Recommendations • Performance Management • Risk Management • Corporate Debt • Financial Monitoring • Investment Strategy • Report of the External Auditor – Progress report and Technical Update • Evaluate the Effectiveness of the Audit and Corporate Governance Committee • Review of Work Programme
12 January 2022	<ul style="list-style-type: none"> • Medium Term Financial Plan 2021/22 - 2024/25 • Treasury Management Strategies 2021/22 – 2024/25 • Summary of Internal Audit Reports • Monitoring the Implementation of Internal Audit Recommendations • Performance Management • Risk Management

	<ul style="list-style-type: none"> • Corporate Debt • Financial Monitoring • Report of the External Auditor – Progress report and Technical Update • Review of Work Programme
23 February 2022	<ul style="list-style-type: none"> • Summary of Progress on the Annual Internal Audit Plan • Monitoring the Implementation of Internal Audit Recommendations • Fighting Fraud and Corruption Locally • Report of the External Auditor – Progress report and Technical Update • Performance Management • Financial Monitoring • Corporate Debt • Proposed Accounting Policies 2021/22 • Review of Work Programme • Risk Management • Report of the External Auditor – Progress report and Technical Update
11 May 2022	<ul style="list-style-type: none"> • Annual Review of Effectiveness of Internal Audit • Summary of Progress on the Annual Internal Audit Plan • Monitoring the Implementation of Internal Audit Recommendations • Report of the External Auditor – Audit Plan 2022/23 • Report of the External Auditor – Progress report and Technical Update • Internal Audit Plan 2022/23 • Performance Management • Risk Management • Financial Monitoring • Corporate Debt • Work Programme

Agenda Item 14

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

Document is Restricted

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

Document is Restricted