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12 August 2020

To: All Councillors

As a Member or Substitute of the **Governance & Resources Committee**, please treat this as your summons to attend a meeting on **Thursday, 20 August 2020 at 6.00pm** via the Zoom application. (Joining details will be provided separately).

Under Regulations made under the Coronavirus Act 2020, the meeting will be held virtually. As a member of the public you can view the virtual meeting via the District Council's website at www.derbyshiredales.gov.uk or via our YouTube channel.

Yours sincerely

James McLaughlin
Director of Corporate Services

AGENDA

1. APOLOGIES/SUBSTITUTES

Please advise the Committee Team on 01629 761133 or e-mail committee@derbyshiredales.gov.uk of any apologies for absence and substitute arrangements.

2. APPROVAL OF MINUTES OF PREVIOUS MEETING

09 January 2020

3. PUBLIC PARTICIPATION

To enable members of the public to ask questions, express views or present petitions, **IF NOTICE HAS BEEN GIVEN**, (by telephone, in writing or by electronic mail) **BY NO LATER THAN 12 NOON OF THE WORKING DAY PRECEDING THE MEETING.**

4. INTERESTS

Members are required to declare the existence and nature of any interests they may have in subsequent agenda items in accordance with the District Council's Code of Conduct. Those interests are matters that relate to money or that which can be valued in money, affecting the Member her/his partner, extended family and close friends.

Interests that become apparent at a later stage in the proceedings may be declared at that time.

5. QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15.

To answer questions from Members who have given the appropriate notice.

Page No.

6. COMPLAINTS MONITORING

04 09

To note a report on formal complaints made under the District Council's internal Complaints Procedures; those referred to the Local Government Ombudsman, and against individual elected member behaviour at town, parish and District Council level.

7. PROPOSED GRANT & COMMUNITY ASSET TRANSFER OF LAND AT HULLAND WARD RECREATION GROUND, OFF ASHES AVENUE HULLAND WARD

10 - 14

To consider approval of a grant of £22,000 to Hulland Ward Parish as their share of the consideration received from a Housing Developer for a drainage easement across owned by the District Council but subject to an unregistered lease to HWPC. Thereafter transferring the freehold of the previously leased land to HWPC as a Community Asset Transfer (CAT).

8. EQUALITY, CONSULTATION AND ENGAGEMENT PLAN 2019/20

15 - 47

To receive an update report on the progress against the actions set out in the Equality, Consultation and Engagement Plan 2019-20, and consider approval for the Equalities, Consultation and Engagement Plan for 20 - 22..

9. ANNUAL GOVERNANCE STATEMENT 2019/20

48 - 76

To consider approval of the Annual Governance Statement 2019/20 and to note the action plan to address the significant governance issues.

10. DATA PROTECTION

77 - 92

To consider approval of an updated Data Protection Policy and delegation of authority to the Head of Resources to make minor amendments to the Data Protection Policy.

11. EXTERNAL AUDIT REVIEW OF INTERNAL AUDIT

93 - 96

To consult members on the format of the external review of internal audit and seek approval for an external assessment of Derbyshire Dales District Council's Internal Audit Section at the same time as the external assessment of the Internal Audit Consortium.

12. INTERNAL AUDIT ANNUAL REPORT 2019/20

97 - 102

To consider approval of the Internal Audit Annual Report for 2019/20

13. INTERNAL AUDIT CHARTER

103 - 112

To receive a report informing the Committee of the results of a review of the Internal Audit Charter and to seek approval for the updated Charter.

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|------------|--|------------------|
| 14 | AUDIT PROGRESS REPORT | 113 - 130 |
| | To receive and note the “Audit Progress Report (August 2020)” from the External Auditor. | |
| 15 | MEMBER DEVELOPEMENT WORKING GROUP | 131 - 138 |
| | To consider approval for Member Development Working Group working plan 2020/21 and a draft training plan for Members | |
| 16. | JOINT CONSULTATIVE GROUP: MINUTES OF 29 JANUARY 2020 | 139 - 141 |
| | To receive the Minutes of the Joint Consultative Group meeting held on 29 January 2020 | |

Members of the Committee - Councillors Jacqueline Allison, Robert Archer, Sue Bull (Chair), Neil Buttle, David Chapman (Vice Chair), Paul Cruise, Tom Donnelly, Graham Elliott, Steve Flitter, Alyson Hill, Susan Hobson, Michele Morley, Garry Purdy, Mike Ratcliffe, Claire Raw, Peter Slack and Alasdair Sutton

Substitutes – Councillors Jason Atkin, Richard Bright, Mathew Buckler, Richard FitzHerbert, Helen Froggatt, Chris Furness, David Hughes, Peter O’Brien, Joyce Pawley, , and Steve Wain.

GOVERNANCE AND RESOURCES COMMITTEE**20 August 2020**

Report of the Director of Corporate and Customer Services and the Council's Monitoring Officer

COMPLAINTS MONITORING**PURPOSE OF THE REPORT**

This report provides information on formal complaints made under the District Council's internal Complaints Procedures; those referred to the Local Government Ombudsman, and against individual elected member behaviour at town, parish and District Council level.

RECOMMENDATION

That the report is noted.

WARDS AFFECTED

Not applicable

STRATEGIC LINK

Complaints monitoring has direct links to the Council's core values of fairness and equality, listening to people and quality of service. Additionally it links to the Council's aim of providing excellent services.

1. FORMAL COMPLAINTS ABOUT THE DISTRICT COUNCIL'S SERVICES**1.1 Complaints Procedure**

This section of the report provides details of complaints against the Council that were dealt with through the Council's Complaints Procedure as formal complaints. During 2019/20 the District Council received 31 stage 2 & 3 complaints, compared to 66 in the previous year.

The introduction of the new 3 stage complaints procedure has resulted in a change in the way complaints are recorded. Stage 1 complaints that are dealt with by Senior Managers, previously known as unofficial complaints were not reported to the committee. In 2019/20 the Council received 110 complaints which only 31 escalated to the stage 2 and 3 procedure.

The following table shows the number of stage 2 & 3 complaints by service area compared to the previous year.

Service Area	Nature of complaint	2018/19	2019/20
Community Development	Leisure	3	0
Corporate Services	Legal and Committees	2	1

Service Area	Nature of complaint	2018/19	2019/20
Corporate Services	Customer Service	3	0
Environmental Services	Refuse collection	14	2
Environmental Services	Car Parks, fees and fines	3	2
Environmental Services	Residents Parking Permit	6	9
Environmental Services	Public Conveniences	8	2
Environmental Services	Street Cleaning/ Grass Cutting	1	3
Environmental Services	Cemeteries	1	0
Regulatory Services	Development Management	11	7
Regulatory Services	Traveller Sites	3	0
Regulatory Services	Environmental Health	4	2
Regulatory Services	Licensing	0	0
Regeneration and Policy	Public Consultation	1	0
Housing	Housing	1	0
Resources	Council Tax	2	2
Resources	Benefits	1	1
Resources	Business Rates	2	0
Total		66	31

The complaints relate to complaints about the Council's services and not complaints about general issues, however the Council has seen stage 2 and 3 complaints more than halve from last year's figures.

1.2 Referral to Chief Executive

Following the introduction of the new Council's complaints procedure to a 3 stage process, of the 141 complaints received 110 was dealt with at Stage 1, namely at Senior Manager level, 15 were dealt with and a Director level and a Stage 3 complaint would be referred to the Chief Executive.

Under a Stage 3 complaint the Chief Executive reviewed 16 complaints during the year, compared to 5 in the previous year.

2. LOCAL GOVERNMENT OMBUDSMAN

2.1 Complainants who remain dissatisfied with the handling of their complaint following the final stage of the internal complaints procedure may take their issue up with the Local Government Ombudsman (LGO).

2.2 The LGO's annual review letter is attached at Appendix 1 and shows that 1 complaints relating to the District Council was formally investigated. The complaint that was investigated was not upheld thus giving the Council a 0% returned rate. The average rate for upheld decisions for district councils is 45%. Last year the LGO upheld 3 complaints.

2.3 The LGO's received a further 10 complaints (11 in total). This is identical to the 11 complaints received last year. Of the 11 complaints the LGO have issued decisions on 7 of the complaints. The details of the complaint decisions are detailed below.

Category	Decision	Decision Reason
Highways & Transport	Unlikely to find evidence of fault	Closed after initial enquiries
Environmental Services &	Council acted appropriately in taking action	Did not uphold Complaint

Public Protection & Regulation		
Benefits & Tax	LGO felt that the Courts are better placed to decide any fault	Closed after initial enquiries
Environmental Services & Public Protection & Regulation	Not enough evidence of fault to warrant investigation	Closed after initial enquiries
Corporate & Other Services	Not enough evidence of fault to warrant investigation	Closed after initial enquiries
Environmental Services & Public Protection & Regulation	Not enough evidence of fault to warrant investigation	Closed after initial enquiries
Environmental Services & Public Protection & Regulation	Concluded LGO would be unlikely to find fault	Closed after initial enquiries

3. **CONFIDENTIAL REPORTING POLICY**

- 3.1 The Confidential Reporting Policy, or Whistleblowing Policy, requires the Monitoring Officer to report to the Committee periodically, on matters referred to her under the terms of the Policy. No matters were referred under the policy in 2019/20. The Whistleblowing Policy is continually promoted on the District Council's staff intranet and on notice boards.

4. **COMPLAINTS ABOUT ELECTED MEMBER BEHAVIOUR**

- 4.1 Under the provisions of the Localism Act, the Monitoring Officer is required to assess such complaints against agreed criteria and the relevant authority's Code of Conduct, in consultation with the Independent Person.

- 4.2 The Assessment involves an examination of the evidence provided with a view to concluding whether on the face it -

(a) the matter falls within the remit of the Code of Conduct. If the answer to this question is 'no', the complaint is immediately dismissed. If the answer is 'yes' the matter proceeds to the next stage;

(b) the potential exists, if proven, for the alleged behaviour to amount to a breach of the District Council's Code of Conduct. If the answer to that is 'No' the complaint is dismissed. If the answer is 'yes', the Monitoring Officer must balance the severity of the potential breach in terms of the public interest in requiring the matter to proceed to a full investigation or to consider whether an alternative remedy is more relevant in the circumstances.

4.3 THE COMPLAINTS RECEIVED IN 2018/20 ARE SUMMARISED BELOW

No	Nature of allegation	Outcome
1	A complaint was received against a District Councillor from an applicant in relation to a Licensing Act 2003 application alleging that the Councillor failed to act with objectivity and integrity and that posts on social media had potentially damaged the local perception of the business.	The complaint was dismissed, but MO recommended the preparation of a guide for all Councillors on Licensing Matters, which includes a glossary of terminology and outlines the role of Ward Member in representing constituents at a hearing, and the adoption of a social media Code for Elected Members
2	A complaint was received against a District Councillor made by 3 other District Councillor alleging that the Councillor showed Officers a lack of respect during a Licensing And Appeals Sub-Committee.	The complaint was resolved by alternative means with the issue of an apology by the member and training on Code of Conduct and principles of Member/officer relations
3	Complaint of Parish Council Clerk against Chair and one other member regarding conduct at a meeting regarding bully and harassment, lack of leadership and failure to declare an interest	Currently unresolved. The Chair was recommended training which they have undertaken, however other Councillor was formally investigated and will be referred to a Standards Committee hearing.

4.4 The recommendations made in complaint 1 are currently in the process of being produced.

5. RISK ASSESSMENT

5.1 Legal

There was no breach of a rule of law in any of the complaints submitted. For elected Members, Mandatory training is aimed specifically at mitigating the chances of a serious complaint being submitted. The same philosophy has now being rolled out to employees and both Codes of Conduct include attendance at mandatory training.

For town and parish Council issues, the Monitoring Officer has personal responsibility to provide advice on ethical issues and invests time to help parish and town councils develop and mitigate the risk of serious complaints. In the majority of

cases that assistance is welcomed by the parties involved and provides a more cost effective solution to problems. The legal risk continues to be low to medium.

5.2 Financial

There are no financial considerations arising from this report.

6. OTHER CONSIDERATIONS

In preparing this report the relevance of the following factors has also been considered: prevention of crime and disorder, equality of opportunity, environmental, health, legal and human rights, financial, personnel and property considerations.

7. CONTACT INFORMATION

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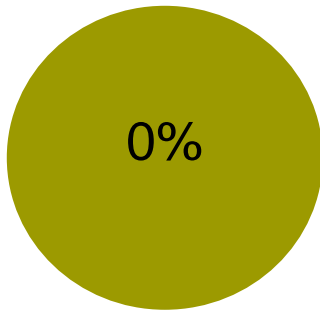
8. BACKGROUND INFORMATION

Non-exempt complaint files 2019/20 held in Corporate Services

9. APPENDICES

Appendix 1 - LGO Annual review of Decisions 2020

Complaints upheld



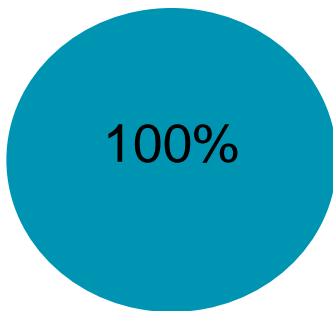
0% of complaints we investigated were upheld.

This compares to an average of **45%** in similar authorities.

0
upheld decisions

Statistics are based on a total of 1 detailed investigation for the period between 1 April 2019 to 31 March 2020

Compliance with Ombudsman recommendations



In **100%** of cases we were satisfied the authority had successfully implemented our recommendations.

This compares to an average of **99%** in similar authorities.

Statistics are based on a total of 1 compliance outcome for the period between 1 April 2019 to 31 March 2020

- Failure to comply with our recommendations is rare. An authority with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

Satisfactory remedies provided by the authority

The Ombudsman did not uphold any detailed investigations during this period

**GOVERNANCE AND RESOURCES COMMITTEE
20 August 2020**

Report of the Estates and Facilities Manager

**PROPOSED GRANT & COMMUNITY ASSET TRANSFER OF LAND AT HULLAND WARD
RECREATION GROUND, OFF ASHES AVENUE HULLAND WARD**

SUMMARY

Following the negotiation and agreement of a consideration of £50,000 from a Housing developer in return for the grant of a drainage easement across land in the ownership of the District Council but subject to an unregistered lease to Hulland Ward Parish Council (HWPC), this report recommends regularising the situation by paying a grant to HWPC equivalent to their share of the consideration received and thereafter transferring the freehold of the previously leased land to them as a Community Asset Transfer (CAT).

RECOMMENDATION

This report recommends –

1. That Council be requested to include the sum of £22,000 in the revised capital programme for 2020/21 for a grant of £22,000 be made to HWPC for the improvement of community facilities on the terms stated in 3.1 of this report. Payment of the grant is subject to approval at full Council.
2. That the terms outlined in paragraph 3.1 of this report for a freehold Community Asset Transfer of the Hulland Ward Recreation Ground as shown edged red on the plan at Appendix 1 to HWPC are agreed.

WARDS AFFECTED

Hulland

STRATEGIC LINK

The transfer of the site to the Parish Council for use as a recreation ground and the provision of the grant supports the District Council's priorities under "People" to engage with community groups and encourage projects run by community groups and to achieve a sustainable financial position by prudent management of resources and reviewing services whilst also supporting the objective under "Place" to keep the Derbyshire Dales Clean, Green and Safe as expressed in the Corporate Plan 2020-24.

1. BACKGROUND

- 1.1 DDDC were approached by Clowes Development (UK) Ltd (CDUK) in regard to granting of an easement for drainage enabling housing to be built on land adjacent to the recreation ground at Hulland Ward. This has been negotiated and approved under delegated authority for a consideration of £50,000 subject to approvals in 2.2.
- 1.2 DDDC owns the land in question but it is encumbered by an existing (unregistered) lease with HWPC for the land to be used for recreation purposes. During negotiations with CDUK, and as a result of investigations into existing contractual rights, a number of issues have arisen. Some of these issues have the potential to derail the negotiations with CDUK, providing it with due cause to approach Severn Trent Water (STW) with a request to use their statutory powers under the Water Industry Act 1991 (WIA) s159 to lay pipes; if this happened only minimal compensation would be payable to DDDC and HWPC. With this in mind, to secure our consideration, there is a pressing need to get agreements underway.
- 1.3 The main issue that could delay contracts and lead to statutory powers being exercised by STW is that the recreation ground lease was not registered by HWPC; legally this means that the lease is technically only an 'agreement to lease' with no rights to enter into an easement agreement being conferred on HWPC. The lease to HWPC has been registered on our title so, whilst we can enter into an easement agreement with CDUK, we require HWPC consent to do so.
- 1.4 Discussions and meetings have been held with CDUK, HWPC and the Ward Member to secure agreement to our proposed way forward.

2. CURRENT SITUATION

- 2.1 The following summarises the position negotiated with HWPC and CDUK and the actions and agreements required to progress the granting of an easement –
 - i. Surrender of the existing '(agreement to) lease' to DDDC by HWPC.
 - ii. DDDC will enter into an agreement to grant CDUK an easement for a consideration of £50,000.
 - iii. A Funding Agreement for DDDC to grant HWPC £22,000
 - iv. A Tenancy at Will to be entered into between DDDC and HWPC so HWPC can continue to use the land for recreation purposes until the work is complete and the easement can be transferred to STW
 - v. Transfer the recreation ground to HWPC as a Community Asset Transfer (CAT) once the work is complete and the easement has been adopted by STW
 - vi. Separately, CDUK have also agreed to transfer a small area of land to HWPC for recreation ground-related purposes.
- 2.2 Delegated authority approval has been given for 2.1 i., 2.1 ii. and 2.1 iv. subject to receiving full Council authority for 2.1 iii. (the grant) and council approval of 2.1 v. (CAT)
- 2.3 A (draft) plan for the CAT is attached at Appendix 1.

3. PROPOSED TERMS

- 3.1 The following provides outline terms for the grant and CAT :–

3.2 The Grant will –

- i. be payable subject to the easement being completed and £50,000 received (as negotiated)
- ii. will be spent by HWPC within 5 years on a community nominated project (currently planned for extension of the village hall car park) otherwise repaid to DDDC
- iii. require for each party to pay their own legal costs

3.3 The CAT will :-

- i. allow the site will be transferred in its existing condition with no warranties and subject to any existing rights.
- ii. include a restrictive covenant limiting the property to that of a recreation ground and any ancillary use
- iii. include a pre-emption clause for DDDC to acquire the property for £1 if the property is to be used for anything other than the provision of a recreation ground with any ancillary use.
- iv. require each party will pay their own legal costs. POS will be undertaken by DDDC

4. PLANNING

- 4.1 Outline permission 14/00698/OUT was granted on the adjoining land on appeal on 16th February 2016. The reserved matter submission 19/00159/REM is currently under consideration and the land concerned is part of the preferred route for dealing with surface water drainage.

5. VALUATION/ ASSET MANAGEMENT

- 5.1 The Council's Valuer considers the terms agreed to represent the best price reasonably obtainable for the rights granted.

6. CONSULTATION

- 6.1 HWPC and the Hulland Ward Member have been consulted on the proposed arrangements and are agreeable.

7. RISK ASSESSMENT

7.1 Legal

The legal risk is assessed as low providing the areas dealing with the existing unregistered lease and grant use are adequately dealt with.

7.2 Financial

The consideration of £50,000 arising from the grant of easement will be treated as a capital receipt. Subject to the agreement of Council on 27 August for its inclusion in the updated capital programme for 2020/21, part of the capital receipt will be applied to finance capital expenditure of £22,000 for the grant to Hulland Ward Parish Council. The remaining capital receipt will be available to fund other capital projects. The financial risk is assessed as low.

8. OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors have also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

9. CONTACT INFORMATION

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10. BACKGROUND PAPERS

ATTACHMENTS

Appendix 1 – Site Plan - Area of land for CAT

Appendix 1



Plan – shows approx area of CAT

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Director of Regeneration & Policy

EQUALITY, CONSULTATION & ENGAGEMENT PLAN 2020-2022

PURPOSE OF REPORT

The District Council publishes an Equality, Consultation and Engagement Plan which sets out how it will meet its public sector equality duties, and what consultation and engagement activities are proposed each year.

This report provides an update on progress against the actions set out in the Equality, Consultation and Engagement Plan 2019/20. This report also seeks approval for the Equalities, Consultation and Engagement Plan for 2020 -22 and revised Equality Objectives that link to the new Corporate Plan.

RECOMMENDATION

1. That progress against the actions in the Equality, Consultation and Engagement Plan 2019/20 be noted.
2. That the Equality Objectives for 2020-2024 as set out in paragraph 3.4 of the report be approved.
3. That the Equality, Consultation and Engagement Plan 2020-22 as set out in Appendix 2 to this report be approved.

WARDS AFFECTED

All Wards.

STRATEGIC LINK

The District Council has a statutory duty to pay due regard to the need to eliminate discrimination, harassment and victimisation; advance equality of opportunity; and encourage good relations between different groups of people. Furthermore the District Council has a duty to consult with the community in carrying out its functions and activities. The Equality, Consultation and Engagement Plan helps the District Council meet its statutory duties.

The equality objectives within the Plan are linked to the Council's Corporate Plan 2020-2024.

1 BACKGROUND

- 1.1 The District Council has a comprehensive Equality and Diversity Policy ¹ which provides the context for the Equality, Consultation & Engagement Plan.

¹ https://www.derbyshiredales.gov.uk/images/documents/E/Equality_and_Diversity_Policy_March_2016.pdf

- 1.2 The public sector equalities statutory duty comprises a [general equality duty](#) and a [specific duty](#). The District Council must comply with both. The general duty requires the District Council to have due regard in the exercise of all its functions to the need to:
- Eliminate discrimination, harassment and victimisation
 - Advance equality of opportunity between all persons;
 - Foster good relations between all persons.
- 1.3 The District Council must therefore ensure due consideration is given to the aims of the Duty in all its decisions. The paragraph on 'other considerations' at the end of every committee report reminds Members that although Officers have had regard to equality issues when preparing reports, Members should also consider equality issues in order to meet the Equality Duty.
- 1.4 The specific duty requires the District Council to publish:
- Equality information annually about its workforce and service users to demonstrate compliance with the general Equality Duty;
 - Equality objectives (drawing on this information) at least every four years that it needs to achieve to meet the aims of the general equality duty, focusing on its priority equality issues.
- 1.5 The District Council has previously approved an annual Equality, Consultation and Engagement Plan which set out the activity planned for the period 2019/20 (Governance and Resources Committee, 11 July 2019). This latest Equality, Consultation and Engagement Plan sets out an updated range of objectives, linked to the new Corporate Plan for the period 2020 to 2024, and will cover a two year period.

2 PROGRESS ON EQUALITY AND CONSULTATION 2019/2020

- 2.1 As required by legislation, updated equality information was published on the District Council's website² early in 2020. A proportionate approach to the collection and publication of data continues to be taken, with a particular focus on key service user satisfaction data disaggregated by relevant protected groups. Members should be mindful that the Policy Officer (Equalities and Consultation) is a 0.2 FTE post.
- 2.2 The Equality, Consultation & Engagement Plan 2019/20 set out performance measures/targets which are detailed in Appendix 1. All of the identified targets have been fully achieved, with two of the four performance measures exceeding the target set:
- Provide adaptations to the homes of 57 disabled people - this target was exceeded as adaptations were provided to 74 homes.
 - Provide debt and welfare advice to 300 vulnerable households - this target was exceeded as 381 clients were supported.
 - Percentage of residents that are satisfied with the refuse and recycling collection service - 85% of residents were satisfied with the service (Online Panel, 2019).

² <https://www.derbyshiredales.gov.uk/your-council/equalities/equality-information>

3 EQUALITY OBJECTIVES 2020-2022

- 3.1 In 2012, the District Council consulted on three draft equality objectives via an on-line survey sent to equalities organisations and groups operating in the Derbyshire Dales, local voluntary organisations and LSP partners. These equality objectives were agreed at Community & Environment Committee on 19 April 2012. Progress has been reported annually and reviewed periodically. Progress towards those objectives at March 2020 is summarised in Appendix 1.
- 3.2 The Council's Equality Objectives have been in place since 2012 and target actions have been successfully delivered over time. Whilst the objectives have been reviewed periodically, new priorities have emerged through consultation with local communities and businesses in the Dales, in particular from consultation for the Council's new Corporate Plan in 2019.
- 3.3 The Corporate Plan 2020 – 2024 is the key strategy from which the District Council's other strategies, plans and policies cascade. The priorities within the plan are determined through consultation with local people. There are 3 broad priority areas:
- ❖ People - **Providing you with a high quality customer experience**
 - ❖ Place - **Keeping the Derbyshire Dales clean, green and safe**
 - ❖ Prosperity - **Supporting better homes and jobs for you**

with an overall way of working:

- ❖ **One Team, One Council, One Purpose**
- 3.4 Informed by the priorities within our Corporate Plan (themselves based on extensive public and stakeholder consultation), it is recommended that the Equality Objectives for 2020 - 2024 are updated as follows:
- Objective 1: Maintain high customer satisfaction about the quality of services we deliver
 - Objective 2: Implement the Derbyshire Dales Climate Change Strategy and make improvements to the operational aspects of the Clean & Green service
 - Objective 3: Promote housing development that meets the needs of the present and future population of the District
 - Objective 4: Seek to attract investment that supports the local economy including the provision of jobs for younger people
 - Objective 5: One team, working together as one Council with one purpose

4 EQUALITY, CONSULTATION AND ENGAGEMENT PLAN 2020-2022

- 4.1 The Equality, Consultation and Engagement Plan provides a structured framework for the District Council's consultation and engagement activities. Consultation and Engagement activity of note undertaken during 2019/20 included:
- Online Panel Survey, September 2019 (results to Council 8 October 2020)
 - Consultation in preparation for revised Corporate Plan 2020-2024
- 4.2 An updated Equality, Consultation and Engagement Plan for 2020-2022 is set out in Appendix 2. Key areas for consultation in this period will include:

- Annual Online Panel Surveys – finding out how satisfied residents are with the District Council, its services and quality of life in the Derbyshire Dales. Results are analysed by equality groups where numbers permit. The surveys provide important feedback on the performance of services and suggest areas for improvement, which supports service planning and management.
- Review of the Council's Car Parking Order – consultation with user groups and traders
- Climate Change Supplementary Planning Document
- Local Plan

4.3 Key areas of equality work will include:

- Providing mandatory Equality & Diversity (E&D) training for Members and senior managers and offering them additional E&D training opportunities including via the Council's Learning OnLine Anywhere (LOLA) resource
- Completing a light-touch review of the Equality and Diversity Policy to ensure it remains compliant with legislation and case law and is fit for purpose, potentially with the assistance of Derbyshire Dales CVS and Chesterfield's African Caribbean Community Association.

5 EQUALITY IMPACT ASSESSMENTS

5.1 To minimise the risk of legal challenge and to ensure that the potential impact upon protected groups is taken into account in the District Council's decision making framework, Equality Impact Assessments (EIAs) are prepared where needed. Each year a number of priority Equality Impact Assessments are identified in the Equality, Consultation & Engagement Plan as having to be undertaken, where they are linked to potential future policy development or potential changes in service delivery. Completed Equality Impact Assessments are summarised and presented for Members' review when new or revised policies are being considered at Committee or Council meetings. Completed Equality Impact Assessments are also published on the District Council's website to demonstrate compliance with the Equality Duty.

5.2 The programme of EIAs is dynamic, and will alter if unexpected policy changes take place or if expected changes do not take place. At present, the EIAs expected for the period 2020-22 include:

- Housing Allocation Policy
- Local Council Tax Support Scheme (if changes proposed)
- Review of the Council's Car Parking Order
- Local Plan

6 RISK ASSESSMENT

6.1 Legal

Under the provisions of the Equality Act 2010, the District Council has specific statutory duties. All decisions taken by the Council, all services provided or enabled by the Council and all personnel functions of the Council are required to take account of this duty. Failure to comply with the equality duty could render the Council open to legal challenge. The areas of activity identified within this report seek to reduce any potential risk. However, this area is still considered to be a medium legal risk in light of the requirement to demonstrate that councils have consciously considered their obligations.

The District Council also has a duty to consult, and to demonstrate that it has consulted in making decisions on how to undertake its functions and activities which affect the public. Failure to consult or demonstrate how consultation has influenced the decision making process is an area where the District Council could face legal challenge. As such the areas of activity identified in the Equality, Consultation and Engagement Plan seek to reduce any potential risk.

The legal risk is assessed as medium.

6.2 Financial

The costs of addressing the statutory requirements in relation to Equalities and Consultation are contained within existing service budgets. As such the financial risk is low. However failure to comply with the relevant statutory requirements may expose the District Council to legal challenge and therefore the potential for higher financial risks.

6.3 Corporate Risk

Progressing the activity identified within the report will help manage the risks of legal challenge, enforcement action for non-compliance with statutory equality duties, and potential loss of good reputation.

7 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

CONTACT INFORMATION

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BACKGROUND PAPERS

None.

ATTACHMENTS

Appendix 1: Equality, Consultation and Engagement Action Plan 2019/20
Appendix 2: Equality, Consultation and Engagement Plan 2020-22

APPENDIX 1

EQUALITY, CONSULTATION AND ENGAGEMENT PLAN 2019 – 2020 EQUALITY ACTION PLAN Updated July 2020

Equality Objectives	Actions	Performance Measures / Targets	Outcome	Lead	By when
Objective 1: Affordable Housing	Improve housing for vulnerable people	Provide adaptations to the homes of 57 disabled people	Adaptations provided to 74 homes in 2019	Director of Regulatory Services	March 2020
		Provide debt and welfare advice to 300 vulnerable households	381 clients were supported. Total financial gains for 2019/20 was £261,326. Total debt affected for 2019/20 was £754,565,	Director of Housing	March 2020
Objective 2: A Clean and Safe District	Provide services which reflect the communities of the Derbyshire Dales and are accessible to all users	% of residents that are satisfied with the refuse and recycling collection service	85% of residents satisfied with the refuse and recycling collection service (Online Panel, 2019)	Provider / Director of Community and Environmental Services	March 2020
	Agree and progress the corporate programme of priority Equality Impact Assessments for 2019-20	Programme for 2019-20 completed	Completed	Directors of Services	March 2020

Equality Objectives	Actions	Performance Measures / Targets	Outcome	Lead	By when
	Service Reviews – any potential equality impacts to be identified through EIAs	<ul style="list-style-type: none"> • Service Reviews 	Transfer of Leisure Service EIA completed.	Directors of Service	Ongoing

CONSULTATION & ENGAGEMENT ACTION PLAN 2019 – 2020
Updated July 2020

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Regulatory Services						
Sex Entertainment Venues Policy	June - September 2019	Online consultation via Council's website	Members of the public	Y	Tim Braund	EIA completed; 12 week public consultation via Council website. No objections received during consultation. Policy adopted by Council on 16 January 2020 (Minute no: 283/19 – Referred item 177/19 from Licensing Committee, 17 October 2019 https://www.derbyshiredales.gov.uk/im ages/FINAL_Council_Minutes_16_Jan uary_2020.pdf
Housing						
Complete 1 parish housing needs survey (HSS11)	Jan to May 2020	Postcard to each household in Parish asking them to complete online survey / phone Publicity by Parish newsletter,	Residents in the Parish	N	Rob Cogings/ Isabel Cogings	3 Parish Housing Needs surveys were completed in 2019/20, Eyam, Over Haddon and Youlgreave. The results are helping to formulate proposals for affordable housing schemes in those villages.

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
		Parish meetings / community events				
Consultation on regeneration projects, Hurst Farm, Matlock	2019/20	External consultants appointed by Waterloo HA undertaking a range of survey & engagement	Hurst Farm residents	N	Marie-Christine Schmidt	Consultants funded through MHCLG grants have helped deliver the consultation events for the Regeneration Strategy.
Customer satisfaction with housing needs services	2019/20	Face to face survey	Customers	N	Simon Beynon	The Housing Team's apprentice undertook a customer satisfaction survey for Home-Options customers. 600 people were contacted and 59 completed responses were received
Resources						
Budget 2020-21 consultation	January-February 2020	Presentation at meetings or electronic/ paper survey. Business Forums and Community Forums	Residents and businesses	N	Karen Henriksen / Steve Capes	Included in budget report to Council 5 March 2020
Local Council Tax Support	Summer 2019	TBC	TBC	N	Karen Henriksen	No significant technical changes were proposed to the scheme for 2020/21

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Scheme 2020-21						therefore no new consultation with the public nor with precepting authorities necessary (Council, 16 January 2020, Minute no: 273/19) https://www.derbyshiredales.gov.uk/images/FINAL_Council_Minutes_16_January_2020.pdf
Community and Environmental Services						
Customer satisfaction survey with the waste and recycling service	May and November 2019	TBC	Sample of 400 local residents	N	Ash Watts	
Community Engagement Hub project	Ongoing		Modernise current facilities to be able to use for club activities, bookings and events	EIA may be needed for specific projects	Becky Bryan	Delete – Community Engagement Hub no longer meeting

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Market research into customer satisfaction with Leisure Facilities	June 2019	Various - to be determined	Residents, existing and potential users	N	Freedom Leisure / Becky Bryan	Freedom completed survey. Add to Council's Online Panel survey next year
Area Community Forums	TBC 2019 Purpose and format of the Area Community Forums to be reviewed in 2019-20	Public meeting	Residents, businesses , Service users, Partners	N	All / Ros Hession	Review looked to move from 3 forums held across the District twice a year to one meeting per year, the one meeting to move areas but cover all areas discussions in one meeting. A meeting was held in Bakewell 29 January 2020 for all areas.
CRI8 & CRI9 % people feeling safe outside during the day and night	November 2019	Online Panel Survey	Local residents	N		96% of respondents to the Council's Online Panel survey 2019 felt safe outside during the day and 85% felt safe outside at night
Regeneration & Policy						
Business Engagement Programme- business forums/worksh ops	2019	Six-monthly themed events, plus workshops & networking	Local businesses with growth plans, including larger firms	N/A	Giles Dann	Dales Business CEO Forum held July 2019.

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Kirk Ireton Neighbourhood Plan Statutory Consultation	Autumn 2019	TBC	Kirk Ireton residents	EIA by Parish/ Town Council	Mike Hase	Examination in Public held and Examiners report published in February 2020. Referendum now due in May 2021
Performance indicators - % agreeing the Council provides value for money (POL8), satisfaction with how the Council runs things (POL9), % satisfied with the area (NI5)	September – October 2019	On-line Panel survey	Local residents	N	Steve Capes	Overall the results of the survey indicate that the District Council is performing well. POL8 - 66% of respondents agreed DDDC provided value for money. POL9 - 72% were satisfied with the way the Council runs things; and NI5 - 91% were satisfied with their local area.
Corporate Services						
% of customers satisfied with internal Business Support services	Ongoing-after service delivery (2019-20)	Online survey	Local residents & stakeholders	N	James McLaughlin	

APPENDIX 2



Equality, Consultation & Engagement Plan

2020 – 2022

DRAFT

1. Introduction

Derbyshire Dales District Council has statutory duties under the [Equality Act 2010](#) which should be considered across all the Council's public functions. The Act defines a range of 'protected characteristics':

- Age
- Religion or belief (including non-belief)
- Disability
- Pregnancy and maternity
- Gender reassignment
- Sex / gender
- Marriage and civil partnership (with regard to discrimination)
- Sexual orientation
- Race

The [Equality Act 2010 S.149](#) sets out three broad aims in the form of a statutory general equality duty which requires the Council to have due regard to the need to:

- Eliminate discrimination, victimisation and harassment
- Advance equality of opportunity
- Foster good relations between different groups

The [Equality Act 2010 \(Specific duties\) Regulations 2011](#) set out further specific duties for public bodies which support delivery of the three aims of the general equality duty. These require the Council to:

- Publish annually equality information about its workforce and service users
- Set equality objectives and specify the steps it will take to achieve them, at least every four years

The Council publishes [equality information](#) and [gender pay gap](#) data annually on its website.

The Equality Plan 2020 – 2021 supports delivery of the Council's statutory equality duties and sets out:

- How the Council takes account of equalities issues in the decisions it makes (section 3)
- An overview of the Derbyshire Dales community (section 4)
- The Council's equality objectives and the steps it is taking to achieve them (section 5)
- Equality performance indicators used by the Council to monitor its progress
- Equality improvement actions for the year ahead.

The Council also has a duty to consult which is integral to mainstreaming equalities, particularly in the setting and delivery of equality objectives. The Action Plan at the end of this document sets out the key pieces of externally facing consultation and

engagement that are identified at the time that the service plans are being written. As being aware of the impact of changing services/policies on different groups of individuals is often crucial in shaping the scope and shape of public consultation, the potential need to produce an Equality Impact Assessment (EIA) is also identified in this plan. Progress with achieving this plan is reported annually.

2. Equality and Diversity Policy

The Council's commitment and approach to promoting equality as a public service provider and employer is set out in its [Equality & Diversity Policy](#).

The [Dignity and Respect for All](#) policy aims to encourage people living, working and visiting the Derbyshire Dales to show consideration to one another and to treat each other fairly.

3. Equality Impact Assessment, Monitoring and Engagement

To inform its decision making and ensure that its policies and practices are fair, the Council undertakes [Equality Impact Assessments](#) where relevant and proportionate.

It also carries out equalities monitoring of its policies and practices, where appropriate, to ensure that everyone is treated fairly. Monitoring data is published annually as part of its [Equality Information](#).

The Council actively seeks feedback from its customers and staff to ensure effective consultation about its services and plans. An annual Online Panel survey gauges residents' satisfaction with the local area, with the way the Council functions in key areas, and with the public services it provides. Staff are consulted via an Employee Survey with results feeding into organisational and personal development plans.

4. The Derbyshire Dales Community

The 2011 Census and other data provide the following picture of the Dales ([ward profiles and other equality information](#) published annually on the Council's website are also available):

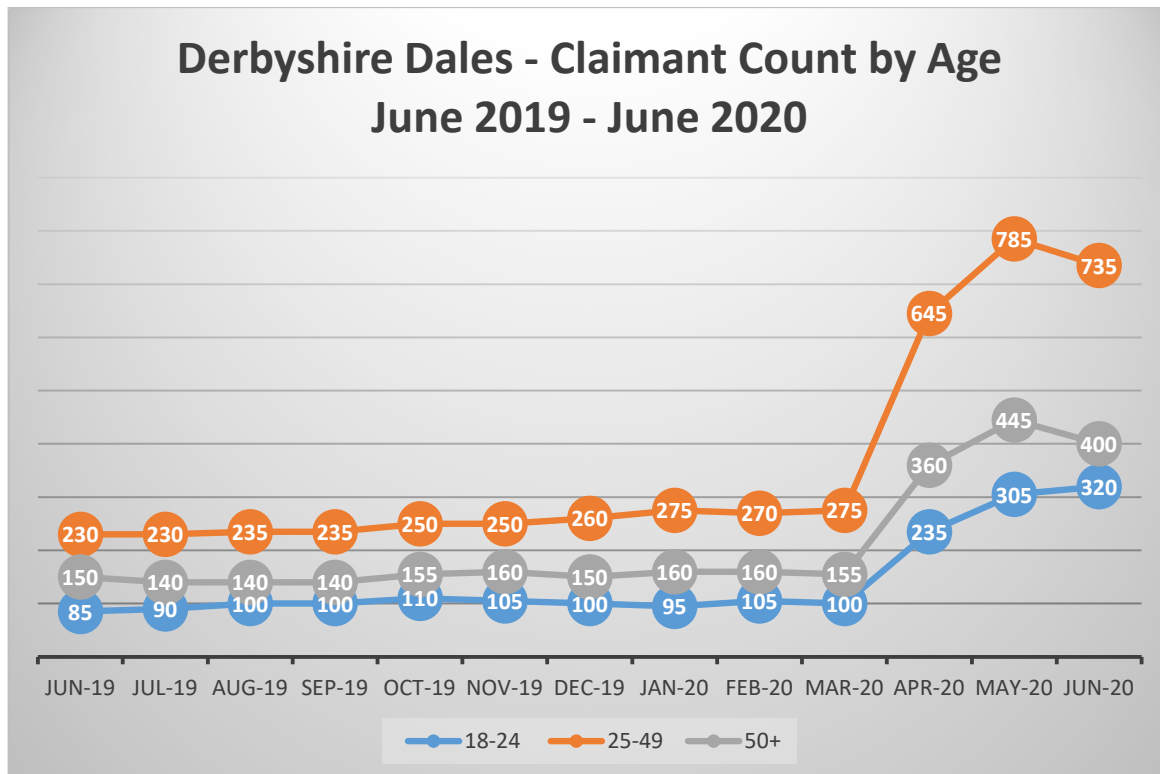
- **Sex (gender)** – Of the estimated population of 72,325 in 2019, 49% of residents were male and 51% female. 54% of those aged 65 and over were female (ONS, Mid-year population estimates, 2019).

- **Age** – the district has an ageing population. People aged 65 and over make up 26.1% of the population compared to 17.9% in England. 59% of people are of working age (16-64 years). The under 25s make up 23.9% of the district's population compared to 30.1% in England. (ONS, Mid-year population estimates, 2018).
- **Disability and long term ill health** – people whose day to day activities are limited make up 18.5% of the population compared to 17.6% in England. In addition, 12.7% of local people provide unpaid care compared with 10.2% in England. Levels of daily activity limitation are significantly higher among those over 60 years of age.
- **Race** – 96.8% of residents are White British compared to 79.8% in England. A further 1.8% are from other white backgrounds.
- **Marriage and civil partnerships** – 54.8% are married compared with 46.6% in England and 0.3% live within same sex civil partnerships (similar to national position)
- **Pregnancy & Maternity** – since 2001 there has been a 2.4% increase in births (half the Derbyshire average) compared to 7.9% in England
- **Religion or Belief** – 68.7% of residents describe themselves as Christian compared with 59.4% in England. 23.2% declared no religious belief compared with 24.7% in England
- **Sexual Orientation** – The exact number of lesbian, gay or bisexual people living in the Derbyshire Dales is not known. The Government estimate is 5-7% of the population which equates to between 3,500 - 5,000 people in the Derbyshire Dales. Census 2011 data shows that 187 persons in the Dales were in a same sex civil partnership (0.3% of all persons over 16 years of age)
- **Gender Reassignment** – Derbyshire LGBT+ (the main local organisation supporting the LGBT community) has previously estimated that between 150 - 200 people in Derbyshire identify themselves as Transgender.

Socio-economic Issues:

- **Wages** – at £375.90 per week in 2018, average earnings by workplace from jobs in the Dales are 7.2% lower than in 2017. The Great Britain average earnings by workplace rose by 2.5% to £461.30 in 2018 (Annual Survey of Hours and Earnings, 2018).
- **Unemployment** – 540 working age adults in the Dales were unemployed at February 2020, an increase of 31% on the previous year (Derbyshire Observatory, Unemployment statistics, February 2020).
- **Poverty** - about 9.4% (965) of the District's children live in low income families (Derbyshire Dales Health Profile, 2019)
- **Debt** - Derbyshire Dales CAB helped with 1208 debt issues on behalf of clients in 2018-19. Debt issues within the Dales are likely to remain a real concern due to the economic effects of the Covid-19 pandemic.

- **Fuel poverty** – 3464 households experienced fuel poverty in 2016, constituting 10.09% of all Dales’ households, compared to 11.6% in Derbyshire and 11.1% in England (Dept. Energy & Climate Change, June 2016).
- **In work and out of work benefit claims** - as the chart below illustrates, there has been a significant increase in those claiming both in work and out of work benefits during the Covid-19 pandemic.



Source: NOMIS - ONS Claimant count by sex and age, June 2020

Covid-19 Pandemic:

As an organisation Derbyshire Dales District Council has faced many challenges and has had to deal with issues that none of us could possibly have imagined when the Prime Minister announced the Covid-19 pandemic lockdown measures on 23rd March 2020.

The Council recognised that in these unprecedented times many of our residents and businesses needed financial support. We endeavoured to make sure that any government support was passed through to those in need as soon as practically possible. We engaged people through regular updates to our website and social media to communicate information about available support as soon as possible.

Measures to try to ease some of the pressures included:

- Encouraging residents and businesses to apply for review of their council tax instalments, helping them to manage their finances

- Suspending recovery action for debt
- Encouraging eligible households with low incomes to apply for Council Tax Support and assisting eligible households through the government's Hardship Fund
- Implementing new measures to support residents in receipt of Housing Benefit
- Publicising a package of temporary and targeted measures to support businesses and allocating grants and other support where eligible

During the first 100 days of lockdown:

- 241 new benefit claims and 128 new Council Tax Support claims were received and 167 Discretionary Housing payments were made by the Council
- 103 households facing homelessness were supported by our Housing Options team and 10 people were prevented from rough sleeping
- Over £30m was paid out to support 2,600 local businesses and 160 Coronavirus interventions were made

5. Equality Objectives

In 2012, the District Council consulted on three draft equality objectives via an on-line survey sent to equalities organisations and groups operating in the Derbyshire Dales, local voluntary organisations and LSP partners. These equality objectives were agreed at Community & Environment Committee on 19 April 2012 (Minute No. 387/12). Progress was reported annually and whilst they were reviewed periodically, new priorities were emerging in our consultation with local communities and businesses in the Dales, in particular from consultation for the Council's Corporate Plan in 2019.

The Corporate Plan 2020 – 2024 is the key strategy from which the District Council's other strategies, plans and policies cascade. The priorities within the plan are determined through consultation with local people. There are 3 broad priority areas:

- ❖ People - **Providing you with a high quality customer experience**
- ❖ Place - **Keeping the Derbyshire Dales clean, green and safe**
- ❖ Prosperity - **Supporting better homes and jobs for you**

<https://www.derbyshiredales.gov.uk/your-council/policies-plans-a-strategies/corporate-plan>

In addition, our corporate objective is:

- ❖ **One team, One Council, One purpose**

More information on the key issues affecting the Dales is contained within our [Derbyshire Dales Economic Plan 2019 - 2033](#) and the [Derbyshire Dales Health Profile 2019](#).

Informed by the priorities within our Corporate Plan, our Equality Objectives for 2020 - 2022 are:

- Objective 1: Maintain high customer satisfaction about the quality of services we deliver
- Objective 2: Implement the Derbyshire Dales Climate Change Strategy and make improvements to the operational aspects of the Clean & Green services
- Objective 3: Promote housing development that meets the needs of the present and future population of the District
- Objective 4: Seek to attract investment that supports the local economy including the provision of jobs for younger people
- Objective 5: One team, working together as one Council with one purpose

Targets are set each year and integrated within service plans to help measure progress towards these objectives. Our equality objectives and targets for 2020 - 2022 are set out in the action plan together with our planned consultation and engagement work (Appendix).

Progress against our objectives for 2019 – 2020 is set out in Appendix 1.

6. Monitoring and Review

Progress on the Equality, Consultation and Engagement Plan is monitored by the Corporate Leadership Team (Heads of Service and the Chief Executive) and reported annually to Members. The Plan will be available to the public via the Council's website.

Corporate performance indicators will be monitored by the identified service manager and reported via the service planning and review process.

7. Further Information

Policy Manager
Regeneration and Policy
Derbyshire Dales District Council
Town Hall
MATLOCK DE4 3NN

Email: mike.hase@derbyshiredales.gov

Website: <http://www.derbyshiredales.gov.uk/your-council/equalities>

Appendix to Appendix 2

EQUALITY ACTION PLAN 2020-2022 DRAFT

Equality Objectives	Actions	Performance Measures / Targets	Outcome [to be added in 2021/22]	Lead	By when
PEOPLE - PROVIDING YOU WITH A HIGH QUALITY CUSTOMER EXPERIENCE					
Objective 1: Maintain high customer satisfaction about the quality of services we deliver	CP20/PE7 Undertaking an annual online survey of residents to establish customer satisfaction and priorities	Undertake Annual Survey using the Online Residents Panel to assess resident satisfaction with DDDC Services		Director of Regeneration & Policy	November 2020
	CP20/PE9 Maintain other customer access channels: during opening hours, you will still be able to phone us or drop by at the Town Hall in Matlock	Continue to maintain and publicise a variety of offline customer contact channels for the District Council's services through Dales Matters and other media.		Director of Corporate & Customer Services	
PLACE - KEEPING THE DERBYSHIRE DALES CLEAN, GREEN AND SAFE					
Objective 2: Implement the Derbyshire Dales Climate Change	Deliver a high quality waste/recycling service to residents	Waste & recycling collection -- % satisfied with service		Director of Community & Environmental Services	March 2021

Equality Objectives	Actions	Performance Measures / Targets	Outcome [to be added in 2021/22]	Lead	By when
Strategy and make improvements to the operational aspects of the Clean & Green Service					
	Work with partners and communities to maintain high levels of community safety	Raise awareness of domestic abuse and promote support services			March 2022
	Implement the Council's Climate Change Strategy and ensure that the benefits derive to vulnerable households across the District	Insulation / greener homes NB: 11 Non Traditional homes insulated on Hurst Farm (Phase 1), 26 further properties in Phase 2 (Hurst Farm, Oker estate Darley Dale and Tansley)		Director of Housing	June 2021
PROSPERITY - SUPPORTING BETTER HOMES AND JOBS FOR YOU					
Objective 3: Promote housing Development that meets the needs of the present and future population of the District	CP20/PR10 Helping disabled people adapt their homes so they can continue to live there	Provide adaptations to the homes of 50 disabled people by March 2021		Director of Regulatory Services	March 2021

Equality Objectives	Actions	Performance Measures / Targets	Outcome [to be added in 2021/22]	Lead	By when
	CP20/PR18 Continue to provide debt and welfare advice to vulnerable households	Provide debt and welfare advice to 350 vulnerable households by March 2021		Director of Housing	March 2021
	CP20/PR8 Building new Council homes to rent and continuing to build social rented homes in partnership with Housing Associations	Complete 51 new affordable homes by March 2021 NB: Likely only 12 new affordable homes (note delays to 2020/21 target due to Covid19)		Director of Housing	March 2021
	CP20/PR13 Delivering a permanent site to meet identified traveller needs	Identify opportunities for the provision of permanent Traveller site		Director of Regulatory Services	September 2020
Objective 4: Seek to attract investment that supports the local economy including the provision of jobs for younger people	Support the Derbyshire Careers Enterprise Co, to strengthen links between education and employers	Deliver 2 partnership events to support employers with recruitment issues and develop better links between employers and schools		Director of Regeneration & Policy	March 2021

Equality Objectives	Actions	Performance Measures / Targets	Outcome [to be added in 2021/22]	Lead	By when
ONE TEAM, ONE COUNCIL, ONE PURPOSE					
Objective 5: One team, working together as one Council with one purpose	Ensure a One Team approach to the Council's statutory equality duties	Review and update the Equality & Diversity Policy		Equalities & Consultation Officer	November 2020
	Ensure a One Team approach to the Council's statutory equality duties	Deliver a tailored Equality & Diversity mandatory training programme for Members including via the Council's Learning OnLine Anywhere (LOLA) resource		Director of Corporate & Customer Services & Equalities & Consultation Officer	May 2021
	Ensure a One Team approach to the Council's statutory equality duties	Deliver a tailored Equality & Diversity mandatory training programme for Senior Management Team including via the Council's Learning OnLine Anywhere (LOLA) resource		Equalities & Consultation Officer & Human Resources Manager	November 2021
	Retain the Disability Confident standard	Undertake self-assessment to retain the Disability Confident standard		Human Resources Manager	March 2022

Equality Objectives	Actions	Performance Measures / Targets	Outcome [to be added in 2021/22]	Lead	By when
	Agree and progress the corporate programme of priority Equality Impact Assessments for 2019-20	Programme for 2020-22 completed including <ul style="list-style-type: none"> - Housing Allocation Policy - Local Council Tax Support Scheme (if changes proposed) - Review of the Council's Car Parking Order - Local Plan 		Directors of Services	March 2022
	Service Reviews – any potential equality impacts to be identified through EIAs	Service Reviews		Directors of Services	March 2022

CONSULTATION & ENGAGEMENT ACTION PLAN 2020 – 2022
Updated July 2020

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Regulatory Services						
Charging for Food Hygiene Rating Scheme re-inspections	TBC	TBC		TBC	Tim Braund	Introducing a charged for service during lockdown would not be helpful. To be reviewed December 2020.
Facilitate a review of the Council's assets to identify any equality issues	June to December 2020	Produce a definitive list of assets and engage with appropriate groups to enable a review of that list			Tim Braund, Mike Galsworthy	Definitive list being drawn together from asset register and insurance lists – July 2020
Housing						
Customer satisfaction with housing needs services	2020/21	Face to face survey	Customers	N	Simon Beynon	

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Consultation on the proposed changes to the Housing Allocation Policy	2020/21	Online survey	Customers, housing providers and the wider public	Y	Phil Campbell on behalf of the Home-Options partnership	25 responses were received from across the Home-Options partnership, (64% from the Derbyshire Dales). The consultation process is to be extended and repeated to try and gain further responses. 5,500 emails were sent to applicants across the Home-Options partnership concerning the proposed changes. A total of 101 responses were received and these are being reviewed by the Home-Options working group.
Customer satisfaction with housing needs services	2021/22	Online survey	Customers	N	Simon Beynon	Survey planned for Q2 2021/22
Resources						
Biennial ICT internal satisfaction survey	January 2021	Biennial online survey	Staff at DDDC	N	Nicola Astle	Scheduled for January 2021
Biennial ICT internal satisfaction survey	January 2023	Biennial online survey	Staff at DDDC	N	Nicola Astle	
Budget 2021-22 consultation	January-February 2021	Presentation at meetings or electronic/	Residents and businesses	TBC	Karen Henriksen / Steve Capes	

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
		paper survey. Business Forums and Community Forums				
Budget 2022-23 consultation	January-February 2022	Presentatio n at meetings or electronic/ paper survey. Business Forums and Community Forums	Residents and businesses	TBC	Karen Henriksen / Steve Capes	
Local Council Tax Support Scheme 2021-22	Summer 2020	TBC	TBC	If changes proposed	Karen Henriksen	
Local Council Tax Support Scheme 2022-23	Summer 2021	TBC	TBC	If changes proposed	Karen Henriksen	

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Community and Environmental Services						
Customer satisfaction survey with the waste and recycling service	TBC 2020	TBC	TBC	N	Ash Watts	
Customer satisfaction survey with the waste and recycling service	TBC 2021	TBC	TBC	N	Ash Watts	
Community Engagement Hub project: Pavilion	Ongoing		Modernise current facilities to be able to use for club activities, bookings and events	EIA may be needed for specific projects	Becky Bryan	

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
Market research into customer satisfaction with Leisure Facilities	June 2020	Various - to be determined	Residents, existing and potential users	N	Freedom Leisure / Becky Bryan	
Market research into customer satisfaction with Leisure Facilities	June 2021	Various - to be determined	Residents, existing and potential users	N	Freedom Leisure / Becky Bryan	
Area Community Forum	January 2021	Public meeting	Residents, businesses, Service users, Partners	N	All / Ros Hession	
Area Community Forum	January 2022	Public meeting	Residents, businesses, Service users, Partners			
Review of the Council's Car Parking Order	By March 2022	Various	User groups, traders	Y		
CR18 & CR19 % people feeling safe	November 2019	Online Panel Survey	Local residents	N		96% of respondents to the Council's Online Panel survey 2019 felt safe

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
outside during the day and night						outside during the day and 85% felt safe outside at night
CRI8 & CRI9 % people feeling safe outside during the day and night	November 2020	Online Panel Survey	Local residents	N		
CRI8 & CRI9 % people feeling safe outside during the day and night	November 2021	Online Panel Survey	Local residents	N		
Regeneration & Policy						
Business Engagement Programme-business forums/workshops	2020	Six-monthly themed events, plus workshops & networking	Local businesses with growth plans, including larger firms	N/A	Giles Dann	
Business Engagement Programme-business	2021	Six-monthly themed events, plus workshops	Local businesses with growth plans,	N/A	Giles Dann	

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
forums/worksh ops		& networking	including larger firms			
Biennial Business Survey – themed	Autumn 2020	On-line + phone survey	Local businesses	N/A	Giles Dann	
Ashbourne Neighbourho d Plan Statutory Consultation	Autumn 2019	TBC	Ashbourne residents	EIA by Parish/ Town Counci l	Mike Hase	Consultation delayed by Covid-19 now likely to be September 2020
Brailsford Neighbourho d Plan Statutory Consultation	Autumn 2020	TBC	Brailsford residents	EIA by Parish/ Town Counci l	Mike Hase	Consultation delayed by Covid-19 now likely to be September 2020
Local Plan	2022	TBC	Residents outside the Peak District	Y	Mike Hase	
Climate Change SPD	January 2021	TBC	Residents outside the Peak District	N	Mike Hase	Consultants appointed Summer 2020
Performance indicators % agreeing the Council	September – October 2020	On-line Panel survey	Local residents	N	Steve Capes	Online Panel survey to be carried out Sept/Oct 2020

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
provides value for money (POL8), satisfaction with how the Council runs things (POL9), % satisfied with the area (N15)						
Performance indicators % agreeing the Council provides value for money (POL8), satisfaction with how the Council runs things (POL9), % satisfied with the area (N15)	September – October 2021	On-line Panel survey	Local residents	N	Steve Capes	Online Panel survey to be carried out Sept/Oct 2020
Corporate Services						
% of customers satisfied with	Ongoing-after service delivery	Online survey	Local residents &	N	James McLaughlin	

Issue/ Consultation Task	Date planned	Methods	Target Groups	EIA req'd	Lead Officer	Progress
internal Business Support services	(2020-21)		stakeholder s			
% of customers satisfied with internal Business Support services	Ongoing- after service delivery (2021-22)	Online survey	Local residents & stakeholder s	N	James McLaughlin	

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Head of Resources

ANNUAL GOVERNANCE STATEMENT 2019/20

PURPOSE OF REPORT

The Annual Governance Statement gives the Council an opportunity to reflect and report publicly on the extent to which it has complied with its own code of governance and to describe any governance issues, including how they will be addressed.

This report seeks approval for the Annual Governance Statement for 2019/20, which is consistent with the CIPFA/SOLACE Framework “Delivering Good Governance in Local Government”, and meets the requirements of the Accounts and Audit Regulations 2015.

RECOMMENDATIONS

1. That the Annual Governance Statement for 2019/20 is approved.
2. That the significant governance issues, and the action plan to address them, be noted.

WARDS AFFECTED

None

STRATEGIC LINK

Preparation of an Annual Governance Statement helps to identify principal risks to the achievement of the Council’s objectives.

1 REPORT

1.1 Confidence in public sector governance is of critical importance given the significant investments by the government and council tax payers in local services. The Annual Governance Statement (AGS) should not be seen as a dry financial requirement, but as an important public expression of what the Council has done to put in place good business practice, high standards of conduct and sound governance.

1.2 Councils face intense pressure to deliver unprecedented funding cuts, organisational change and innovation in service delivery while meeting public demands for greater transparency in decision-making and performance. The [International Framework: Good Governance in the Public Sector](#) (CIPFA/IFAC, 2014) defines governance as follows:

- Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

The International Framework also states that:

- To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times.
- Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

Effective governance is essential if senior officers and members are to meet these exacting challenges. Ironically though, those processes that ensure good governance are at risk from the conflicting demands for reduced spending and a re-prioritisation of resources. Councils must produce an AGS published with the annual accounts to report publicly on how they have complied with their governance code and describe any governance issues, and explain how they will be addressed.

- 1.3 The Accounts and Audit Regulations 2015 require local authorities to conduct a review of its system of internal control at least once a year, and, following that review, to publish an annual governance statement prepared in accordance with proper practices in relation to internal control. The Annual Governance Statement is attached at Appendix 1. It is consistent with the 2016 CIPFA/SOLACE publication "Delivering Good Governance in Local Government". The layout of the Annual Governance Statement reflects the layout of the Council's Code of Corporate Governance and the CIPFA/SOLACE guidance.
- 1.4 In accordance with proper practice, the Annual Governance Statement must be signed by the Leader of the Council and by the Chief Executive, who must be satisfied that the document is supported by reliable evidence and accurately reflects the Council's governance arrangements. The role of the Governance & Resources Committee is to be satisfied that the Annual Governance Statement properly reflects the risk environment and any actions required to improve it, and to demonstrate how governance supports the achievements of the authority's objectives.
- 1.5 The Annual Governance Statement describes the key elements of the governance framework and the process that has been applied in maintaining and reviewing the effectiveness of the governance framework. Section 5 of the Annual Governance Statement identifies **three** significant governance issues and provides an action plan to show how they will be addressed.

2 RISK ASSESSMENT

2.1 Legal

The legal risk has been assessed as low. The Council's Framework for Corporate Governance requires the Council to put in place effective arrangements for an objective review of risk management and internal control. This Statement helps to satisfy that requirement.

2.2 Financial

The financial risk arising from this report is low.

2.3 Corporate Risk

Councils face intense pressure to deliver unprecedented funding cuts, organisational change and innovation in service delivery while meeting public demands for greater transparency in decision-making and performance. Effective governance is essential if

senior officers and members are to meet these exacting challenges. The Annual Governance Statement gives the Council an opportunity to reflect and report publicly on the extent to which it has complied with its own code of governance. This process helps to identify principal risks to the achievement of the Council's objectives.

3 OTHER CONSIDERATIONS

In preparing this report the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4 CONTACT INFORMATION

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5 BACKGROUND PAPERS

Accounts and Audit Regulations 2015

DDDC Code of Corporate Governance September 2015

CIPFA/SOLACE Statement "Delivering Good Governance in Local Government: Framework – 2016 Edition".

6 ATTACHMENTS

Appendix 1 – Annual Governance Statement 2019/20

ANNUAL GOVERNANCE STATEMENT 2019/20

1. What is corporate governance?

Corporate governance is about making sure that the council is run properly. It is about trying to achieve the Council's objectives while acting in the public interest at all times. This means carrying out business so that the council:

- operates in a lawful, open, inclusive and honest manner;
- makes sure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively;
- has effective arrangements for the management of risk;
- secures continuous improvements in the way that it operates.

The Governance Framework is the name given to the main management systems, processes, values and culture which ensure that the Council identifies, develops, delivers and reviews the services it provides, works collaboratively, and engages with and leads the community it serves. It ensures that the Council meets its published objectives whilst also assessing whether those objectives have delivered the services at an appropriate cost. It consists of the systems, controls and procedures that ensure that certain desirable activities happen or that undesirable events are avoided. It cannot and does not set out to eliminate all risks in relation to the failure to deliver policies and objectives as this is neither achievable nor desirable. It can therefore only provide a reasonable level of assurance, based on an assessment of the likelihood and the potential impact of risk to the achievement of the Authority's stated objectives, balanced with the resources available to deliver those objectives.

The Authority has published a Code of Governance which sets out the seven key principles of good governance to which it aspires. It sets out the main principle of good governance and the means of demonstrating compliance for each of these principles. A copy of the current Code is available on the [governance page](#) of our website.

This Annual Governance Statement explains how Derbyshire Dales District Council has complied with its own code of corporate governance and against guidance on best practice*. The processes being reviewed in this Statement have operated throughout the whole of the financial year ending 31 March 2020 and have remained in operation up to the date of approval of the 2019/20 Statement of Accounts. The key elements of the framework which are in place to meet the Council's responsibilities under the Code are set out in the following pages, together with an Action Plan (at the end of this statement) to identify any significant governance issues and explain how the Council will address them.

*The guidance applicable to 2019/20 is the CIPFA/SOLACE publication "Delivering good governance in local government", issued in April 2016.

2. How do we know that our arrangements are working?

Every year a review of the effectiveness of the Council's governance framework is conducted by the Corporate Leadership Team, supported by officers from policy, financial services and legal. Consideration is also given to reports from internal and external audit and from other inspection bodies (e.g. the Local Government Ombudsman's Annual report and findings on individual complaints, Food Standards Agency assessments and peer reviews).

The focus of the review is to:

- collate and evaluate evidence of corporate governance arrangements;
- compare the evidence against the Council's Code of Corporate Governance and the CIPFA/SOLACE guidance*;
- identify areas requiring action, which are highlighted in the Action Plan at the end of this statement.

The governance review process includes:

- The consideration of the Statement of Accounts;
- The Internal Audit Annual Report, which includes the Internal Audit Consortium Manager's opinion on the overall adequacy and effectiveness of the Council's control environment ;
- A review of compliance with the Council's Local Code of Corporate Governance with reference to CIPFA/Solace Guidance;
- (For 2019/20 and 2020/21) an assessment of the impact of the coronavirus pandemic on governance in 2019/20 and a look ahead to the impact on governance in 2020/21;
- Sign off by the Leader of the Council and the Chief Executive, once approved.

On the basis of our internal review of the operation of the Governance Framework and our assessment against the provisions of the CIPFA/SOLACE Code, the arrangements for the 2019/20 financial year have been assessed as **COMPLIANT, with some planned improvements required**. This indicates that, in general, strong systems are in place but that there are some processes where further action is required.

Details of the review are set out in the following pages of this statement.

A success during 2019/20 is indicated by



Areas for improvement are highlighted by




This year **three** governance issues have been identified; the action plan outlined at the end of this statement summarises the areas of governance focus needed to maintain an effective governance framework in respect of these issues.

3. Did we meet the principles of Corporate Governance set out in our Code?

PRINCIPLE 1 - Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law		
How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> ➤ We have set out our priorities in our Corporate Plan; ➤ Our Codes of Conduct for members and employees set out clearly the standards that are expected, arrangements for reporting non-compliance and sanctions for any misconduct; ➤ Our values have been embedded in policies and processes; ➤ We require external organisations that provide services on behalf of the Council to act with integrity and in compliance with ethical standards expected by the Council ➤ We make sure that employees, and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements; ➤ We strive to optimise the use of the full powers available for the benefit of residents, communities and other stakeholders; ➤ We deal with breaches of legal and regulatory provisions effectively; ➤ We have effective arrangements to deal with incidents involving misuse of power ➤ We have effective arrangements in place for the discharge of the head of paid service function. 	<ul style="list-style-type: none"> • Corporate Plan • Elected Member Code of Conduct • Periodic report to Council from the Independent Remuneration Panel on Members Allowances • Employee Code of Conduct • Planning Code of Good Practice • Protocol on Employee/Member Relations – Constitution • Constitution • Sponsorship Policy • Risk Management Policy and Strategy • Risk assessment of reports • Annual Complaints Report • Confidential Reporting (Whistleblowing) Policy • Anti-Fraud, Bribery and Corruption Policy • Corporate Enforcement Policy • Regulation of Investigatory Powers Act Surveillance Policy & Annual Report • Protocol on the Management of the Civic Allowance • Inductions for new members and employees • Annual Performance and Development Reviews • Job Evaluation Panel • Complaints Policy • Employee recruitment, interview and selection procedure 	<p style="text-align: center;"></p> <p>A new Corporate Plan setting out our vision and improvement priorities for 2020 – 2024 was approved in March 2020.</p> <p>Our internal audit reviews in 2019/20 have not identified any incidents of fraud.</p> <p>We have extensive use of the general power of competence.</p> <p>The Anti-Fraud, Bribery and Corruption Policy (including Money Laundering) was reviewed and updated during 2018/19. It is next due for a review in 2020/21.</p>

	<ul style="list-style-type: none"> • Job descriptions • Compliance with CIPFA’s “Statement on the Role of the Role of the head of Internal Audit” • Compliance with CIPFA’s “Statement on the Role of the Chief Financial Officer in Local Government” • Records of legal advice provided by officers • Monitoring Officer provisions • Procurement policy • Information Governance Framework and Strategy • Data Protection Policy • Contracts with service providers. • Reports from the Local Government Ombudsman & Annual Report to Governance & Resources Committee • Audit reports issued by Food Standards Agency • Food Law Enforcement Service Business Plan • The Chief Executive is the Council’s Head of Paid Service, who is supported in this role by the Corporate Leadership Team and the Human Resources Manager. 	
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PRINCIPLE 2 – Ensuring openness and comprehensive stakeholder engagement		
How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> ➤ Our Committee and Council meetings are open to the public and agendas, reports and minutes are available on our website; ➤ The minutes of our meetings provide clear reasoning and evidence for decisions; ➤ We have a clear policy on information transparency; ➤ On our website we publish key performance indicators, financial information and details of the earnings, interests and activities of our Members and senior managers. ➤ We consult widely on our plans and use feedback to inform our decisions; we provide information in response to Freedom of Information requests wherever possible to do so under relevant law and outline any exceptions to this policy. We publish our Freedom of Information Policy and procedures. ➤ We operate clear and accessible arrangements for procuring supplies and services. ➤ We have regular meetings with larger Town and Parish Councils to ensure that we work more closely. ➤ We have a programme of forums / workshops to engage with local businesses. 	<ul style="list-style-type: none"> • Constitution • Corporate Plan • Reasoned decisions at quasi- judicial meetings • Annual review of Planning decisions • FOI Publication Scheme • Details of spending over £250 on website • Regulation of Investigatory Powers Act 2000 Policy • Data Protection Policy • Council and Committee decisions • Report pro-formas • Web casting and recording of meetings • Public Participation Scheme • Area Community Forums • Town and Parish Council Conference • Market Traders Forums • Matlock Bath Illuminations Project Group • Council website • Calendar of meetings • Communications Strategy • Community & Engagement Strategy • Equality, Consultation and Engagement Plan • Equality and Diversity Policy • Annual Equality Plan • Residents' Panel • Business Engagement Programme • Statement of Community Involvement • Record of consultations and use of feedback from consultations 	<p style="text-align: center;"></p> <p>The Local Government Association Peer Challenge team reported that the district council has a good understanding and appreciation of its local context and is focussing on continually improving local community relationships. The Council is also regarded as an effective leader of the district by partners who attest to the authority being a good partner to work with.</p> <p>During the year we received 849 Freedom of Information requests (up from 731 in 2018). We responded to 643 FOI requests (76%), redirected 117 (14%) to Derbyshire County Council, did not hold the information for 2 requests and 87 requests (10%) were covered by exemption. Where requests were covered by exemption, we gave details of the exemption in our response; the most common reason for exemption (57 requests) was that the information was already accessible by other means.</p> <p>Contract Standing Orders and Financial Regulations were reviewed and updated in May 2019.</p> <p>The Local Government Association Peer Challenge team made several recommendations to address a series of challenges, including:</p> <ul style="list-style-type: none"> • Developing a strong narrative and vision for the area; • Improvements to the Corporate Plan; • Ensuring that the approach to commercialisation is realistic;

	<ul style="list-style-type: none"> • Contract standing orders • Financial Regulations • Procurement Strategy • Reasons for decisions recorded in all regulatory and quasi-judicial matters • All reports include options, risks and potential outcomes • Procurement decisions require a clear audit trail including reasons • All recruitment decisions are reasoned and recorded 	<ul style="list-style-type: none"> • Consideration of the Council's skills base and investment capability; <ul style="list-style-type: none"> • Engaging with strategic and local organisations to build trust and community capacity to advocate for and deliver on important initiatives. <p>In July 2020 the Council approved an Action Plan to address these issues. While the implementation of these actions will strengthen the Council, they are not seen as significant governance issues.</p>
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PRINCIPLE 3 – Defining outcomes in terms of sustainable economic, social and environmental benefits		
How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> ➤ We have set out our priorities, aims, vision and values in our Corporate Plan; ➤ We set key performance indicators for each year and monitor actual performance against targets; ➤ We have a medium term financial strategy to ensure our financial sustainability; ➤ We operate an effective system of risk management; ➤ Our reports include an assessment of financial, legal and corporate risks and consider equalities, environmental, health, human rights, personnel and property issues; ➤ We carry out equality impact assessments to ensure fair access to services. 	<ul style="list-style-type: none"> • Corporate Plan & Priorities • Service Plans • Community & Engagement Strategy • Equality, Consultation and Engagement Plan • Risk Management Strategy • Medium Term Financial Strategy • Annual Revenue Budget • Capital Programme & Prudential Indicators • Annual Governance Statement (part of the Statement of Accounts) • Annual Audit Letter • Financial Regulations – Constitution • Contract Standing Orders – Constitution • Asset Management Plan • Equality Impact Assessments • Area Community Forums • Planning: Material Considerations • Committee Reports 	<p style="text-align: center;"></p> <p>In 2019/20 we paid 99.8% of non-disputed supplier invoices (4,677 invoices) on time (within 30 days) – only 11 invoices were paid late!</p> <p>The Risk Management Policy and Strategy was reviewed and updated during 2018/19; it is next due for review in Autumn 2020.</p> <p>Working with our partner, Arvato, in 2019/20 we improved the times for processing new claims for housing benefit and processing changes in circumstances.</p> <p>The Council worked with the Local Resilience Forum to ensure that we were prepared for Brexit.</p>


	<ul style="list-style-type: none"> • Consultation feedback is taken into account at the point of decisions 	
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PRINCIPLE 4 - Determining the interventions necessary to optimise the achievement of intended outcomes.


How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> ➤ Our reports include an assessment of financial, legal and corporate risks and consider equalities, environmental, health, human rights, personnel and property issues; ➤ We consult and use feedback from residents and service users when making decisions about significant service changes; ➤ We have strategic and operational plans, including a medium, term financial strategy, annual budgets, and service plans, that support the aims set out in the corporate plan; ➤ We set key performance indicators (KPIs) to identify how the performance of services and projects is measured. We include financial penalties in outsourced contracts that can be used when KPIs are not achieved. ➤ We consider and monitor risks facing each partner when working collaboratively, including shared risks ➤ We review service quality regularly ➤ Our medium term financial strategy integrates and balances service priorities, affordability and other resource constraints 	<ul style="list-style-type: none"> • Consultation and review of feedback including Area Community Forums • Risk Management Hub & Risk Registers • Key Performance Indicators • Service Plans • Medium Term Financial Strategy Medium Term Financial Plan & Efficiency Plan • Budget preparation in accordance with agreed strategy and MTFP. • Budget guidance and processes, including revised estimates • Capital Programme process and scorecard • Annual Audit and Inspection Letter • Confidential Reporting (Whistleblowing) Policy • Anti-Fraud, Bribery and Corruption Policy • Regulation of Investigatory Powers Act Surveillance Policy • Annual Review of Complaints • Calendar of meetings • Communications Strategy • Minutes of regular monitoring meetings with outsourced service providers including details of compliance with Key Performance Indicators 	<p style="text-align: center;"></p> <p>We updated our Medium Term Financial Strategy in January 2020 and our Medium Term Financial Plan in May, November and March.</p> <p>The Local Government Association Peer Challenge team reported that through focused and prudent management, the council has a strong financial position which provides a foundation for the council's future ambition.</p> <p>In 2019/20 we carried out public consultation exercises on:</p> <ul style="list-style-type: none"> • Spending proposals for 2020/21 • Sex Entertainment Venues Policy • Housing Needs for 3 parishes • Customer satisfaction with housing needs services • Regeneration project at Hurst Farm, Matlock • Kirk Ireton Neighbourhood Plan. <p>We have regular meetings with contractors who provide outsourced services. For 2019/20, all KPIs were met in the outsourced contracts for leisure management and revenues and benefits. As a result, no financial penalties were applied to those contracts. For the waste management contract, the KPIs for missed bins were not met</p>


<p>➤ We aim to achieve 'social value' through service planning and commissioning.</p>		<p>and the default payments were issued. These along with general performance standards were discussed at the contract meetings.</p> <p style="text-align: center;"></p> <p>The Council's Efficiency Plan needs to be updated to show how it plans to address the budget gap for future years. See Principle 6 for further information.</p>
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PRINCIPLE 5 - Developing the entity's capacity including the capability of its leadership and the individuals within it

How we meet this principle	Source of assurance	Successes and Areas for Improvement
<p>➤ We recognise the benefits of partnerships and collaborative working;</p> <p>➤ All employees have an induction and an annual Performance and Development Review;</p> <p>➤ We have a Member Code of Conduct, inductions and a Member Training and Induction Programme to ensure that elected and appointed leaders understanding their roles and the Council's objectives</p> <p>➤ Our Constitution includes a Scheme of Delegation that sets out clearly the decisions that are delegated to officers</p> <p>➤ The leader and the chief executive have clearly defined and distinctive leadership roles</p> <p>➤ Taking steps to consider the leadership's</p>	<ul style="list-style-type: none"> • Constitution • Scheme of Delegation • Member Development Scheme • Employee Development Scheme • Member Training and Development Programme • Insight – Internal management development programme • Member Induction • Member Representative roles • Employee Induction • Job Descriptions and Person Specifications • Arrangements for succession planning • Annual review of Scheme of Delegation, Contract Standing Orders and Financial Regulations • LOLA – internal training programme • Peer Reviews 	<p style="text-align: center;"></p> <p>In 2019/20 our partner, Arvato, achieved all the key performance indicators in the Revenues and Benefits contract.</p> <p>Our Performance and Development Review action plans are linked to the priorities set out in our Corporate Plan.</p> <p>Employees who use ICT undertook training in ICT security awareness in 2018/19, which is mandatory for new employees and will be refreshed every 2 years.</p>

<p>own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections</p> <ul style="list-style-type: none"> ➤ We encourage shared learning, including lessons learnt from governance weaknesses both internal and external; ➤ There is a public participation session at the beginning of Council and Policy Committee meetings, ➤ We have arrangements in place to support the health and wellbeing of our employees. 	<ul style="list-style-type: none"> • Efficient use of systems and technology • Shared Learning: Notes of Management Meetings, Peer Reviews, Hubs, Benchmarking, Networking with other local authorities & through membership of organisations such as the Local Government Association. • Human Resource Policies • Employee counselling service • Work of Health & Safety Committee • Active Workplace Programme • Employee Group • Senior Management Team 	<div style="text-align: center;"></div> <p>During 2019/20 the following mandatory training was undertaken by employees:</p> <ul style="list-style-type: none"> • Safeguarding and Child Protection = 24 • Safeguarding Adults at Risk = 26 • Prevent = 23 • Display Screen Equipment = 17 • Data Protection Essentials = 26 • Managing Health and Safety = 45 • Equality Act 2010 = 21 <p>To fully develop our employees and to further mitigate risks, it is recommended that a comprehensive programme of mandatory training for all employees and Members should be delivered in 2020/21.</p>
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PRINCIPLE 6 - Managing risks and performance through robust internal control and strong public financial management		
How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> ➤ We have robust arrangements for risk management including a Risk Management Hub that meets regularly to review Strategic Risks; ➤ Our risk management strategy and policies on internal control are aligned with corporate priorities; ➤ The risks associated with delivering services through third parties are set out in our risk registers; ➤ We have arrangements in place to prevent fraud, bribery and corruption; ➤ We encourage effective and constructive 	<ul style="list-style-type: none"> • Risk Management Strategy • Risk Management Hub • Strategic and Service Risk Registers • Risk Management Annual Report • Risk assessment of all Committee/Council decisions • Internal audit and reports • External audit and reports • Annual Governance Statement • Financial Regulations • Budget Holder's Manual • Contract Standing Orders • Transparency & Open Source Data 	<div style="text-align: center;"></div> <p>The external auditor's Annual Audit Letter issued in July 2019 states "in all significant respects, the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31st March 2019". (The Annual Audit Letter for 2019/20 has not yet been issued).</p> <p>The Internal Audit Annual Report for 2019/20 shows that 19 internal audit review reports were issued during the year. Eighteen (95%) of audit reviews were found to provide reasonable or</p>


<p>challenge and debate on policies and objectives to support balanced and effective decision making</p> <ul style="list-style-type: none"> ➤ We provide members and senior management with regular reports on service plans and on progress against Key Performance Indicators; ➤ We report on a consistent basis between specification stages (such as budgets) and post implementation reporting (e.g. financial statements). ➤ The Internal Audit Consortium Manager produces an Annual Report that provides an opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control; ➤ The Governance and Resources Committee provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment; ➤ The Governance & Resources Committee monitor the implementation of recommendations from internal audit reviews. ➤ The Council has an Information Governance Framework and Strategy that sets out the arrangements to ensure effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data ➤ We review and audit the quality and accuracy of data used in decision making 	<ul style="list-style-type: none"> • Medium Term Financial Strategy • Anti-Fraud, Bribery and Corruption Policy • Treasury Management Strategy • Regular budget reporting and income monitoring (revenue and capital) • Regular reporting on service plans and performance against KPIs • Benchmarking information • Information Governance Framework & Strategy • Designated Data Protection Officer • Data protection policies and procedures • Data sharing agreements • Privacy Impact Assessments • Procedure for Data Protection Security Breaches • Checks on access to data and systems • ICT systems patched regularly & kept up to date 	<p>substantial assurance on the level of reliability of internal controls. Nine (47%) were found to provide substantial assurance. One (5%) audit review (asset management) resulted in a conclusion of “limited assurance”; plans are in place to address the recommendations during 2020/21. This demonstrates that there are effective systems of governance, risk management and control in place.</p> <p>In 2019/20 the Local Government Association Peer Review report stated that “The Council has strong financial management.</p> <div style="text-align: center;">  </div> <p>During 2019/20 the following mandatory training was undertaken by employees:</p> <ul style="list-style-type: none"> • Safeguarding and Child Protection = 24 • Safeguarding Adults at Risk = 26 • Prevent = 23 • Display Screen Equipment = 17 • Data Protection Essentials – GDPR = 26 • Managing Health and Safety = 45 • Equality Act 2010 = 21 <p>To fully develop our employees and to further mitigate risks, it is recommended that a comprehensive programme of mandatory training for all employees and Members should be delivered in 2020/21.</p> <p>The External Auditor’s Strategy Memorandum to the Governance and Resources Committee in January 2020 identified three significant risks that will be tested during the audit of the 2019/20</p>
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<p>and performance monitoring</p> <ul style="list-style-type: none"> ➤ Our financial management arrangements support both long term achievement of outcomes and short-term financial and operational performance ➤ All reports to Council and policy committees include a financial risk assessment. 		<p>accounts, due to take place in Autumn 2020:</p> <ul style="list-style-type: none"> • Management override of controls • Property, plant and equipment valuations • Defined benefit liability valuation. <p>At the time of writing this AGS, the testing has not been completed and there is no evidence to show that controls are not effective.</p> <div style="text-align: center;">  </div> <p>The External Auditor's Strategy Memorandum to the Governance and Resources Committee in January 2020 identified one significant Value For Money (VFM) risk: "Achievement of savings and income generation targets". This relates to continual pressures on Local Government Finances and, in particular, the further savings of £0.4 million that it is anticipated will be required to address projected medium term budget shortfalls from 2020/21 onwards.</p> <p>To mitigate this risk, the Council has a Medium Term Financial Strategy and Medium Term Financial Plan in place. However, the Council's Efficiency Plan needs to be updated to show how it plans to address the budget gap for future years. Significant changes in Local Government finances are due to take place over the next few years, which will culminate in a major change in the way Local Government is financed from 2021/22 onwards. It is hoped that the Local Government Finance Settlement, due in late 2020, will bring more certainty for financial planning in the medium term. Once the outcome of the Fair Funding Review, the Comprehensive Spending Review and the Local Government Finance Settlement for 2021/22 are known, the Efficiency Plan will be updated. As a further mitigation measure, the Council has reserves and</p>
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		balances that could be used to balance the budget for 2021/22 while an efficiency plan is developed to ensure that subsequent budgets are financially sustainable over the medium term.
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PRINCIPLE 7 - Implementing good practices in transparency, reporting and audit to deliver effective accountability

How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> ➤ Our reports are written in a style avoids jargon and can be understood by the public; ➤ Our reports and minutes of meetings are available on our website; ➤ We prepare an Annual Governance Statement that reports on compliance against our corporate governance framework; ➤ Our financial statements are prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations ➤ The Governance & Resources Committee undertakes the core functions of an audit committee and ensures that recommendations for corrective action made by external audit are acted upon ➤ We have an effective internal audit service where the Internal Audit Consortium Manager has direct access to members to provide assurance with regard to governance arrangements and that recommendations are acted upon ➤ We welcome peer challenge, reviews and inspections from regulatory bodies ➤ We have clear governance arrangements in place for partnership arrangements 	<ul style="list-style-type: none"> • Annual report on Service plans and performance management • Annual review of Corporate Governance framework • Annual Governance Statement • Review of actions recommended by internal audit service • Statement of Accounts • Audit Strategy Memorandum and Annual Audit Letter from External Auditor • Anti-fraud, bribery and corruption policy and reporting • Data Protection Officer in place • Compliance with CIPFA's Statement on the Role of the Head of Internal Audit • Compliance with Public Sector Internal Audit Standards • Minutes of meetings from Partnership Board Meetings and Operational Review Meetings. • Annual Complaints Report to Governance & Resources Committee 	<p style="text-align: center;"></p> <p>We report to Members regularly on performance against targets.</p> <p>In 2019/20 19 internal audit reports were issued containing a total of 45 recommendations by internal audit. Of these recommendations 3 (7%) were high priority, 23 (51%) medium priority and 19 (42%) low priority; plans are in place for the outstanding recommendations to be implemented in 2020/21. A report will be brought to members in September 2020 that will detail all outstanding recommendations along with any manager's comments. Significant governance issues raised during the audit reviews are disclosed elsewhere in this annual governance statement.</p> <p>The Local Government Association Peer Challenge team made several recommendations to address a series of challenges, including:</p> <ul style="list-style-type: none"> • Developing a strong narrative and vision for the area; • Improvements to the Corporate Plan; • Ensuring that the approach to commercialisation is realistic; • Consideration of the Council's skills base and investment capability;

		<ul style="list-style-type: none">• Engaging with strategic and local organisations to build trust and community capacity to advocate for and deliver on important initiatives. <p>In July 2020 the Council approved an Action Plan to address these issues. While the implementation of these actions will strengthen to Council, they are not seen as significant governance issues.</p>  <p>An internal audit report has identified opportunities to strengthen our arrangements for asset management (see action plan).</p>
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4. How the Council works

The Council

The Council is composed of 39 councillors elected every four years. Elections were last held in May 2019. Councillors are democratically accountable to residents of their ward. The overriding duty of councillors is to the whole community, but they have a special duty to their constituents, including those who did not vote for them.

Councillors are required to follow the Council's Code of Conduct to ensure high standards in the way they undertake their duties. The Council's Monitoring Officer trains and advises them on the Code.

All Councillors meet together as the Council. Meetings of the Council are normally open to the public. Here Councillors decide the Council's overall policies and set the budget each year. The Council holds the policy committees to account, and is itself a policy development body. There is an opportunity at Council meetings for members of the public to participate by putting their questions to Councillors. The Civic Chairman of the District of Derbyshire Dales reports to each meeting and the Leader of the Council has an opportunity to address the Council meeting on issues concerning the District of Derbyshire Dales at Council and his attendance at meetings with significant partners.

The Council's Constitution

Derbyshire Dales District Council has adopted a [Constitution](#) which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by law, while others are a matter for the Council to choose.

The Constitution is divided into 13 articles, which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are provided in separate rules and protocols within the Constitution.

The Monitoring Officer is responsible for carrying out a review of the Council's Constitution to ensure that it is up to date and relevant to the organisation's needs. The Council reviews the Constitution at its Annual Meeting, with informal commentary from the leaders of all political groups.

How decisions are made

Most day-to-day decisions are made by policy committees. The Council has 2 policy committees called 'Governance and Resources' and 'Community and Environment'. Committees also carry out a number of regulatory functions, including dealing with planning applications, licensing and most other regulatory business.

Meetings of the Council's policy and other committees are open to the public except where personal or confidential matters are being disclosed.

In addition, senior officers of the Council make decisions under delegated authority. The level of delegation is recorded in the Council's Constitution.

The role of the Governance and Resources Committee

The Governance and Resources Committee takes the statutory role of an “Audit Committee” and provides independent review, challenge and assurance of the adequacy of the risk management framework and the associated control environment. Its main functions include:

- To approve and review the Council’s Code of Corporate Governance and other supporting material;
 - To approve the Annual Governance Statement and the Annual Statement of Accounts;
 - To consider the reports from the External Auditors, Local Government Ombudsman and other regulators / inspectors;
 - To approve and review the internal audit plan, consider major findings or internal audit investigations and management’s response, and promote co-ordination between the internal and external auditors;
 - To keep under review the effectiveness of internal control systems, to receive the External Audit Management Letter on behalf of the Council and any representations and refer any issues requiring attention to the relevant committee and/or officer.
 - To consider the appointment of the external auditor, the audit fee, the provision of any non-audit services by the external auditor and any questions of resignation or dismissal of the external auditor;
- To approve the Council’s Risk Management Policy and Strategy and consider the annual monitoring report as part of considering the effectiveness of Risk Management, including the risks of bribery, fraud and Corruption.

Area Community Forums

In order to give local people a greater say in Council affairs, we have an Annual Community Forum. This is intended to act as a focus point for mutual communication and consultation between the local community, stakeholders and Councillors from all local councils in their area. During 2019/20 our annual community forum was held at Bakewell Agricultural Business Centre in January 2020.

The council’s employees

The Council has people working for it to give advice, implement decisions and manage the day to day delivery of its services. Some employees have a specific duty to ensure that the Council acts within the law and uses its resources wisely. A Protocol governs the relationships between employees and members of the Council. Employees are required to follow the Council’s Employee Code of Conduct to ensure high standards in the way they undertake their duties. The Council’s Monitoring Officer provides guidance and advice on the Code.

Whistleblowing

People working for the Council are often the first to realise that there may be something wrong within the Council. However, they may feel unable to express their concerns for various reasons, including the fear of victimisation. The Council has a Confidential Reporting (Whistleblowing) Policy that advises staff and others who work for the Council how to raise concerns about activities in the workplace.

Citizens' Rights

Citizens have a number of rights in their dealings with the Council. These are set out in the Constitution.

The Corporate Plan

The [Corporate Plan](#) sets out the Council's priorities, aims, vision and values. The current Corporate Plan was agreed by Council in March 2020 for a 4 year period up to the period following the next Council elections. Annual corporate plan targets are set in March each year and progress is reviewed in March and November each year. The Corporate Plan is based on extensive consultation with residents, councillors and employees.

Managing Key Risks

All Councillors and Managers are responsible for ensuring that risks are considered in the decisions they take. The Council has a [Risk Management Policy and Strategy](#) that is reviewed every two years. It is the Council's policy to proactively identify, understand and manage the risks inherent in our services and associated within our plans and strategies, so as to encourage responsible, informed risk taking.

Monitoring Officer

The Director of Corporate and Customer Services is the Council's appointed Monitoring Officer. The Monitoring Officer is responsible for the legal governance arrangements for the Council and reviews the Constitution; oversees the ethical framework, and has a personal duty to report to the Council any breaches in the rule of law.

Chief Financial Officer

The Director of Resources is the Council's appointed Chief Financial Officer and Section 151 Officer. This is a statutory post, responsible for delivering and overseeing the financial management of the council. The Chief Financial Officer is responsible for financial management at the Council. The role of Chief Financial Officer conforms with the good practice requirements within the CIPFA statement on "The Role of the Chief Financial Officer in Local Government". The Council's Chief Financial Officer is a full member of the Corporate Leadership Team and is supported by appropriately qualified and experienced staff.

The Director of Resources has taken a key role in reviewing corporate governance and in preparing this Annual Governance Statement. She is satisfied with the arrangements currently in place for financial management. Overall the control framework is operating effectively and no matters of significance have been omitted from this statement.

Managing Finances

Internal financial control is based on a framework of management information that includes the Financial Regulations, Contract Standing Orders, our accounting procedures and key financial systems. These include established budget planning procedures and quarterly budget reports to Council or Governance and Resources Committee. The Corporate Leadership Team monitor key income streams on a monthly frequency.

The Council has a Medium Term Financial Strategy that shows the overall direction of the Council's finances over the next five years. This includes a Medium Term Financial Plan which indicates that a budget gap will arise over the next few years due to the expected reduction in government funding. The Council has set a Corporate Savings target to close the budget gap. The Council has a good track record of delivering savings. However, we face a challenge in producing a sustainable budget over the medium term in the face of further potential reductions in government funding. The Council's Efficiency Plan needs to be updated to show how the Council plans to address the budget gap for future years (this will be done when the outcome of the Local Government Finance Settlement for 2021/22 and the Fair Funding Review are known). The Corporate Leadership Team monitors performance against the annual budget, capital programme, medium term financial plan and efficiency plan.

There is a good system of budgetary control in place, which is enforced by the Corporate Leadership Team. Budget holders are identified for each revenue service or capital project. Training and guidance is provided by the Financial Services Team.

Capital projects are only put forward for Committee approval after the Corporate Leadership Team has approved a business case, which ensures projects support the Council's priorities and that they are fully resourced and planned before spending can commence.

Internal Audit

The Council receives substantial assurance from Internal Audit work who (through an agreed programme of testing – the Internal Audit Plan) review the adequacy of the controls and governance that operate throughout all areas of the Council.

Management of Internal Audit is provided by the Bolsover, Chesterfield and North East Derbyshire District Councils' Internal Audit Consortium.

The Internal Audit Service has been managed and delivered in accordance with Public Sector Internal Audit Standards (PSIAS). The Governance and Resources Committee approved an Internal Audit Charter in 2018, which is due for review every two years. The Charter sets out the role of internal audit and its responsibilities and clarifies its independence.

An external review of Internal Audit was undertaken during 2016/17. The independent report concludes that the Internal Audit Section complies with the expectations of the Public Sector Internal Audit Standards. This means that Members can have confidence in the service provided by internal audit.

The Internal Audit Consortium Manager prepares an Annual Report for the Governance and Resources Committee. The Annual Report includes an opinion on the adequacy and effectiveness of the Council's control environment. For 2019/20, it is considered by the Internal Audit Consortium Manager that "reasonable assurance can be provided on the overall adequacy and effectiveness of the council's framework for governance, risk management and control for the year ended 2019/20". However, during 2019/20 one "limited assurance" report was issued (relating to asset management) and [in 2020/21 (to July 2020) no "inadequate or limited assurance" reports have been issued. In these areas the governance, risk management and control arrangements were not operating effectively,

some key risks were not well managed, and there was a risk that the systems objectives would not be achieved. Where weaknesses have been identified through internal audit review, management have agreed appropriate corrective actions and a timescale for improvement.

As a result of this report with limited assurance, one area (asset management arrangements) has been reported in the annual governance statement as a significant governance issue.

External Audit & Other Inspections

The Council's external auditor is currently Mazars LLP.

In July 2019 Mazars issued an unqualified opinion in relation to the Council's 2018/19 statutory financial statements. In the Audit Completion Report relating to the Council's financial statements for 2018/19 the External Auditor made two (medium priority) recommendations relating to internal controls for the accounting treatment of fixed assets. These recommendations were considered and implemented during the preparation of financial statements for 2019/20. In the same report in July 2019, in relation to the Council's arrangements for securing economy, efficiency and effectiveness in the use of resources, the external auditor concluded that "we are satisfied that, in all significant respects, Derbyshire Dales District Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2019".

Feedback from the work undertaken to date on the 2019/20 financial statements has not highlighted any issues which would lead to a different conclusion for the 2019/20 Statement of Accounts. The external auditor's initial work on the 2019/20 Value For Money risk assessment has identified one significant VFM risk: "Achievement of savings and income generation targets". This relates to continual pressures on Local Government Finances and, in particular, the further savings of £0.4 million that it is anticipated will be required to address projected medium term budget shortfalls from 2020/21 onwards.

To mitigate this risk, the Council has a Medium Term Financial Strategy and Medium Term Financial Plan in place. However, the Council's Efficiency Plan needs to be updated to show how it plans to address the budget gap for future years. Significant changes in Local Government finances are due to take place over the next few years, which will culminate in a major change in the way Local Government is financed from 2021/22 onwards. It is hoped that the Local Government Finance Settlement, due in late 2020, will bring more certainty for financial planning in the medium term. Once the outcome of the Fair Funding Review, the Comprehensive Spending Review and the Local Government Finance Settlement for 2021/22 are known, the Efficiency Plan will be updated. As a further mitigation measure, the Council has reserves and balances that could be used to balance the budget for 2021/22 while an efficiency plan is developed to ensure that subsequent budgets are financially sustainable over the medium term.

Local Government Association (LGA) Peer Challenge

The LGA Corporate Peer Challenge review was undertaken 22nd – 24th October 2019 and the final feedback report was received and circulated to all Members on 21st January 2020.

The Local Government Association Peer Challenge team made several recommendations to address a series of challenges, including:

- Developing a strong narrative and vision for the area;
- Improvements to the Corporate Plan;
- Ensuring that the approach to commercialisation is realistic;
- Consideration of the Council's skills base and investment capability;
- Engaging with strategic and local organisations to build trust and community capacity to advocate for and deliver on important initiatives.

In July 2020 the Council approved an Action Plan, to address these issues, with a timescale for implementation. While the implementation of these actions will strengthen the Council, they are not seen as significant governance issues.

5. An assessment of the impact of the coronavirus pandemic on governance in 2019/20 and 2020/21.

Coronavirus was categorised as a pandemic by the World Health Organisation on 11 March 2020. The Council's Business Continuity Plan (BCP) was already in place at this time. An assessment of priority services was undertaken to ensure they could be provided in anticipation of the Government's possible response to the pandemic. Changes were put in place to ensure that these services could still be delivered. Priority services identified in the BCP included but were not limited to:

- Payments especially of benefits, supplier invoices and payroll;
- Treasury management and cash flow;
- Waste collection (prioritising residual and food waste collections)
- Homelessness
- Customer Services and Communications.

As a Council we focussed on delivering essential services to residents and businesses, largely through key employees having the ability to work from home and maintaining a presence at Matlock Town Hall for priority functions that could not be delivered from home (e.g. dealing with incoming mail, the telephone switchboard and enquiries where paper-based files were required). It should be recognised that working from home can be more difficult than working from the office for such as accessing the network and files, communicating with team members, holding meetings virtually rather than face to face etc.

Impact on "business as usual" in delivering services

From 23 March, the majority of office-based key employees worked from home (for around 40 non-key employees there was a delay of around 3 weeks for laptops to be delivered to enable home working). Those services temporarily designated non-essential services were suspended to protect staff and to help provide essential services. Matlock Town Hall was closed to members of the public, as were leisure centres and public toilets. Inspection visits, e.g. food safety inspections, pollution control inspections, licensing inspections etc, were suspended and extended delegation arrangements were introduced, particularly in relation to planning decision making.

Out of the 64 Clean and Green staff available during normal operations, there was only a maximum of 25 at one time following the announcement of the lockdown and the safety

measures implemented to protect vulnerable groups. It took almost 3 months for the team to return to full capacity and this was achieved with a phased approach, followed by individual and work place risk assessments. The impact of this severely affected the work programme, delaying many areas of work. Essential safety work, such as visibility splays and the emptying of litter bins, continued, whilst additional work relating to the recovery, such as the cleaning and sanitising of car park pay and display machines and the delivery of food parcels was added.

An agreement was made with our refuse collection contractor to prioritise residual and food waste collections. To ensure cover for sickness and self-isolation, the collection of bulky, recycling and garden waste was suspended for 3 months, weekly food waste collections operated on a reduced service for 4 months and the dry recycling service was disrupted for almost 2 months.

Communication bulletins for members, employees, residents and businesses were provided through the Council's website and other communications channels, including social media.

All Council and Committee meetings were temporarily suspended until a Council meeting on 12 May agreed to suspend normal business through the Committee system and established the Emergency Committee to deal with urgent decision making during the Covid-19 pandemic. In the early weeks of the lockdown, urgent decisions were taken by the Corporate Leadership Team followed up by approval from the Chair and Vice Chair of the relevant Committee; these decisions were subsequently ratified at the Council meeting on 12 May. The Emergency Committee met on 3 occasions to deal with significant issues in adapting policy and procedures as necessary during these challenging times, until decision making through the full committee system (with virtual meetings for the time being) was resumed following the Annual Council Meeting on 22 July 2020.

New areas of activity

As well as delivering essential services, it was necessary to focus resources on the following new or increased areas of activity:

- Additional monitoring of the Business Continuity Plan and regular attendance at meetings with key partners such as the Local Resilience Forum, Strategic Command Group, Tactical Command Group, and other sub-groups;
- Preparing risk assessments to ensure that services could be provided as safely as possible, protecting employees and service users;
- Provision of temporary accommodation for homeless people;
- Payment of grants and processing rate reliefs to support local businesses;
- Providing support and enforcement to businesses affected by the lockdown;
- Working with providers of outsourced contracts to manage key services;
- Providing adequate ICT, network access and videoconferencing;
- Monitoring additional expenditure and lost income;
- Food parcel deliveries for vulnerable groups (this only ended in August);
- Delivery of new bins on behalf of Serco;
- Increased visitors number required greater response from the C&G team (number of cleans, emptying bins, etc.);
- Dealing with a significant increase in littering of parks and gardens;
- Dealing with increased fly tipping;

- Introduction of sanitiser stations and marshalling of these for markets, etc.;
- Working with partners to Reopen High Streets Safely;
- Community contact through the Sports Development Team;
- Taking on the Business Closure powers under the Coronavirus Regulations;
- Enforcing social distancing in the workplace;
- Taking on the new Pavement Licensing regime;
- Dealing with changes to Planning law that have had to be incorporated into daily business.

Impact on the Council's financial position

The government has awarded three tranches of general financial support to date, totalling £837,877. This will be used to fund additional expenditure (and possibly some lost income), mainly on the following areas:

- Support to the contractor who manages the Council's leisure centres;*
- Support to the waste collection contractor;
- Homelessness emergency accommodation;
- ICT: Laptops, videoconferencing software, network connectivity etc.;
- Lockdown compliance and re-opening costs (Matlock Town Hall, public toilets & stall markets);
- Personal protective equipment, cleaning materials, sanitiser etc.

*It is hoped that, in addition to the above, there will be a specific grant to assist with the financial support for leisure centres; due to uncertainty that has not been included in our financial forecasts at this time.

The Council's income from sales, fees and charges has been significantly affected by the lockdown. Forecasts for income losses for 2020/21 include:

- Car parking (£1.175m);
- Parks activities (£80,000)
- Planning fees (£200,000)
- Public conveniences (£54,000)
- Trade waste (£104,000)
- Stall markets £73,000).

The government has recently announced a further grant to assist with 75% of income losses above a threshold. The grant receivable for this is estimated to amount to £1.125m (the grant amount has yet to be confirmed by government).

Any loss of income or additional expenditure not compensated by Central Government will have to be financed from the Council's reserves. At the current time, this is estimated to amount to around £744,000 for 2020/21. The Director of Resources is satisfied that current levels of reserves and balances will be sufficient to meet this, if necessary, but this will have an impact in the medium term (see below).

Part of the Council's response to the pandemic was to allow council tax and business rates payers whose finances were detrimentally affected by Covid-19 to defer payments to later in 2020/21. Debt recovery was suspended from April to June and resumed in July with

reminders only; a plan is being developed to slowly increase debt recovery activities in the coming months.

Income from council tax and business rates has reduced significantly. For the four month period from April to July 2020, council tax received is £562,000 (2.3%) less than expected and business rates income is £1,043,000 (27%) less than expected. There has been an improvement in both collection rates during July. The financial impact of any shortfalls in council tax and business rates will impact when the budget is set for 2021/22 (and potentially the subsequent two financial years, subject to a change in the regulations to allow the impact to be spread).

To aid the Council's cash flow, the government paid the Council the following amounts:

- Business support grants £36,296,000
- Council tax hardship fund £338,264
- Business rates relief S31 grant paid early £1,969,915.

In addition the government deferred the payment of its share of business rates from the Council for 3 months. The cash flow position is being closely monitored and is not expected to be problematic in the next few months.

Assessment of the longer term impact

Areas to consider:

- If the Council is not fully compensated for additional expenditure and lost income, it will have to finance the shortfall from reserves, which would require a top up of reserves in future years to remain financially sustainable over the medium term and it might delay improvement plans or capital projects if reserves are no longer available to finance them;
- Levels of income and arrears will have to be closely monitored for some time. It is difficult to say how long it will take the economy to fully recover, or if that is even possible. ongoing changes to businesses;
- The allocation of the Council Tax Hardship Fund (report to Council 27 August 2020);
- Two internal audit reviews that were scheduled for completion in 2019/20 were not finalised due to the impact of Covid-19 and work on these and the audit plan for 2020/21 has been delayed due to resources being diverted to assurance checks for business support grants.

Plans for recovery

The impact of Covid19 on the Public Sector could not have been expected, and there is no previous experience of this type of virus or of the economic impact that it would have. The current and future economic situation is uncertain and extremely serious. It is hoped that this is a one off event, but this cannot be guaranteed and further highlights the necessity to maintain a comprehensive Business Continuity Plan and an adequate level of Reserves, including the General Reserve to protect the Council against exceptional events. Due to robust Leadership and sound financial management the financial situation at Derbyshire Dales District Council is secure in the immediate aftermath of the first wave, whilst some other Councils are currently in very challenging financial positions. The need to plan long term and to hold sufficient levels of reserves is reinforced in order to be able to deliver our

key services, support our residents and businesses now and in the future, and continue to provide value for money in all that we do.

The Corporate Leadership Team is developing a recovery plan, which will address the following areas:

- Risk assessments to ensure the safety of our employees, members, contractors and service users;
- Communications and engagement with stakeholders (members, employees, suppliers, residents, customers, businesses, town and parish councils and others);
- Continue to monitor the financial impact and the adequacy of reserves to address financial sustainability;
- Continue to help businesses and high streets to re-open safely;
- A review of priority areas for 2020/21 and 2021/22 in the light of officer capacity and financial resources;
- A review of the Business Continuity and Emergency Plans to reflect lessons learned.

6. Significant governance issues and action plan

a) Update on issues raised in last year's (2018/19) Annual Governance Statement

	Issue	Action Identified in last year's statement	Outcome
1	There is a budget gap for future years as identified in the Medium Term Financial Plan.	Ensure that there are effective processes to manage and monitor budgets and to plan and monitor savings. Update the Efficiency Plan to address the budget gap for future years.	Balanced budget for 2020/21. General Reserve and/or Funding Uncertainties Reserve would be sufficient to finance expected budget shortfall for 2021/22, if required. Efficiency Plan not updated due to lack of certainty over future funding levels.
2	An internal audit review has identified that our arrangements for safeguarding need to be strengthened	Implement the outstanding recommendation of the Internal Audit Review: <ul style="list-style-type: none"> Update the Safeguarding Policy and publicise it on the website and to employees. 	An updated Safeguarding Policy was approved by the Governance & Resources Committee in January 2020 and publicised on the website. A programme of training and raising awareness of safeguarding issues and the revised policy itself was delivered to Council employees and Elected Members in February 2020.
3	Internal audit reviews have identified that our arrangements for procurement and inventory need to be strengthened, especially at the depot.	Implement the outstanding recommendations of the Internal Audit Review: <ul style="list-style-type: none"> Establish procedures and records relating to inventories of tools and equipment; Promote awareness of procurement procedures to relevant employees; Establish a contract for the provision of specialist procurement advice and support.	Recommendations implemented during 2019/20.
4	An internal audit review has identified weaknesses in our management arrangements relating to the leisure services contract.	Implement the outstanding recommendations of the Internal Audit Review: <p>Confirmation should be sought from contractor that the pensions bond required under the contract has been put in place.</p>	The Pensions bond agreement was signed by the contractor and passed to the Pension Fund Administrator (Derbyshire County Council) in August 2020.

b) Annual Governance Statement issues arising from 2019/20 review, to be actioned in 2020/21

	Issue	Action	Outcome	Lead Officer	Target Date
1	There is a budget gap for future years as identified in the Medium Term Financial Plan.	Ensure that there are effective processes to manage and monitor budgets and to plan and monitor savings. Update the Efficiency Plan to address the budget gap for future years.	Balanced budget for 2021/22 and Efficiency Plan to be updated (following the 2021/22 Local Government Finance Settlement) to address budget gap for future years.	Director of Resources	Efficiency Plan: January 2021 Balanced budget for 2021/22: March 2021
2	An internal audit review has identified that our arrangements for asset management need to be strengthened	Implement the outstanding recommendations of the Internal Audit Review: <ul style="list-style-type: none"> Regular meetings of the Corporate Property Group, with minutes; Regular monitoring of progress against the Asset Management Plan to be undertaken by the Corporate Property Group; Reconcile assets of the property and financial systems and use a common property identifier on both systems. 	The risk of not achieving the Asset Management Plan will be reduced.	Director of Regulatory Services	30 November 2020
3	A review of employee and member training has identified that our arrangements for mandatory training should be improved.	A comprehensive programme of mandatory training for all employees and members should be delivered in 2020/21.	Employees' knowledge and opportunity for personal development will be enhanced, mitigating the risks of error or non-compliance with system controls or legislation.	The Corporate Leadership Team with support from the Human Resources and Payroll Manager; The Member Development Working Group	31 March 2021

We propose over the coming year to take steps to address the significant governance issues identified in section 5b of this statement to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Draft Approved at a meeting of the Governance and Resources Committee held on 20 August 2020.

There is a requirement to review the AGS before the final version is approved as part of the audited Statement of Accounts in November.

Final version to be Signed

Councillor Garry Purdy
Leader of the Council
Date: 19 November 2020

Paul Wilson
Chief Executive
Date: 19 November 2020

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Head of Resources

DATA PROTECTION

PURPOSE OF REPORT

This report provides asks the Committee to approve an updated Data Protection Policy and provides information relating to Data protection activities.

RECOMMENDATIONS

1. That the Data Protection Policy shown in Appendix 1 is approved.
2. That delegated authority be given to the Head of Resources to make minor amendments to the Data Protection Policy.

WARDS AFFECTED

None

STRATEGIC LINK

Sound arrangements for information governance and data protection will ensure that personal data is processed fairly, lawfully and transparently.

1 REPORT

- 1.1 The current Data Protection Act and the General Data Protection Regulation (GDPR) came into force in May 2018. The GDPR gives the Information Commissioner's Office (ICO) the power to issue fines of up to €20m, or 4% of turnover, whichever is greater, in the event of non-compliance. This demonstrates the importance of managing Data Protection risk appropriately.

Data Protection Policy

- 1.2 This Committee approved a Data Protection Policy in 2018. The policy has now been reviewed by The Information Governance Board and the Corporate Leadership Team and updated. A draft policy is set out in Appendix 1 for Members' consideration and approval. The policy has been produced to ensure compliance with the relevant legislation and to ensure data subjects (such as residents and customers) gain appropriate access to data and information on request. The key changes relate to the introduction of the Data Protection Act 2018 (since the last policy was approved) and current advice from the ICO.

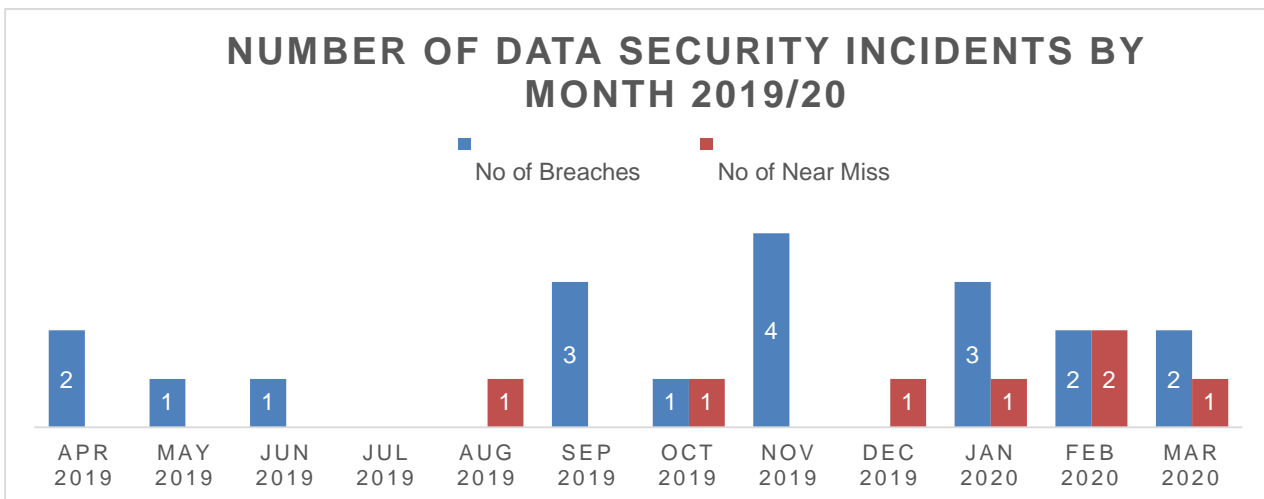
- 1.3 The Data Protection Policy is written as a mitigation tool should anybody complain or challenge the council. It will provide important evidence for the ICO should a breach occur. It uses the language from the Act and from ICO guidance so that definitions can be understood by third parties such as the ICO and organisations who process data on behalf of the Council.
- 1.4 The draft Policy has been reviewed by the Corporate Leadership Team and the Council’s Information Governance Board.
- 1.5 The Data Protection Policy should be reviewed in two years to ensure that it reflects the latest legislation, guidance and best practice. It is recommended that delegated powers be given to the Head of Resources to make minor amendments to the Data Protection Policy, when necessary.

2 DATA PROTECTION ACTIVITIES

2.1 In the two years since the previous Policy was approved, the following key activities have taken place:

- Mandatory training for employees and members;
- Introduction of the Personal Information Asset Register and Personal Data Processing Conditions;
- The introduction of the Compliance Register to enable centralisation of mandatory logs, which also enables the Council to identify patterns and trends.

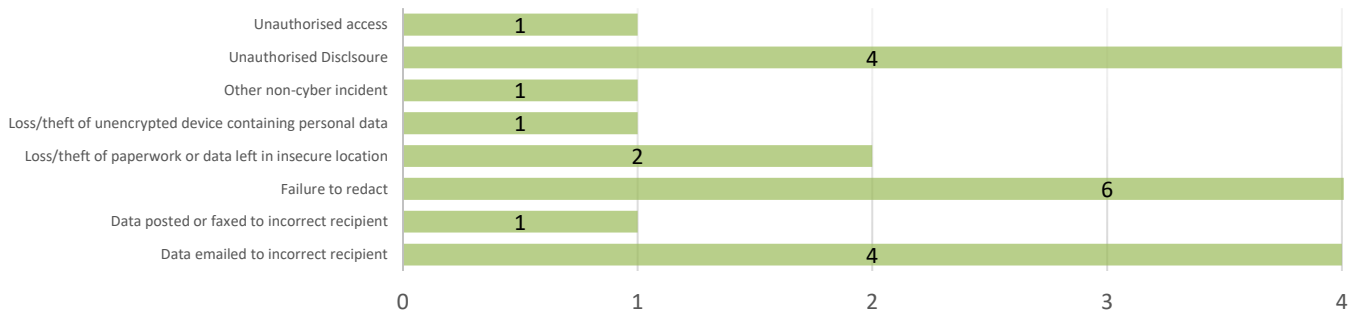
2.2 The table below sets out key data for 2019/20:



Only one Personal Data Breach required notification to the ICO. The 72 hour statutory timescale for reporting was met in this case.

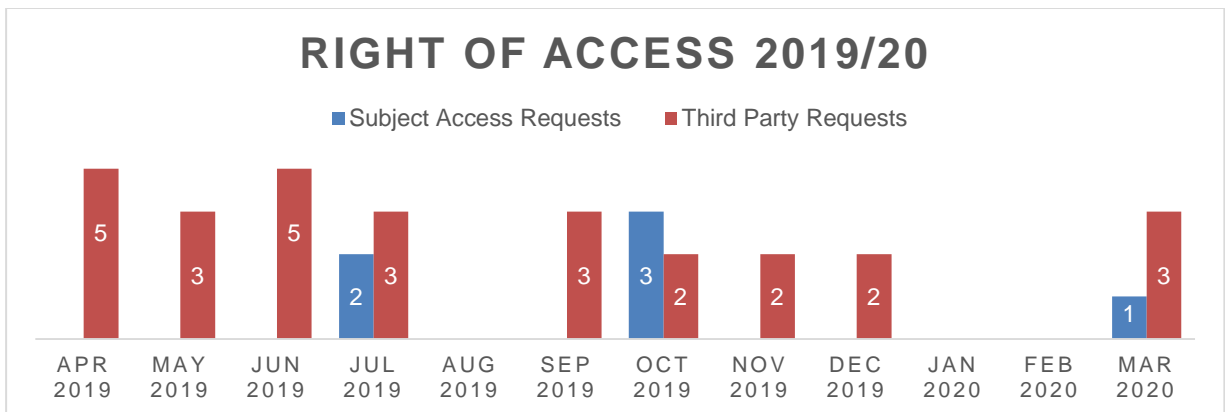
The table below shows the same data breach incidents by category:

DATA SECURITY INCIDENTS BY CATEGORY 2019/20



All data breaches and near misses are reviewed by the Information Governance Board, to determine if there are any trends, learning points or reasons to recommend action.

The table below provides details of requests for under the Right of Access. Subject Access Requests are where an individual requests to see the data the Council holds on them; Third Party Requests come from other interested parties, such as insurance companies, other local authorities or statutory bodies.



All 5 Subject Access Requests met the 1 Month statutory response timescale. One had an extension applied as complex case and was completed 15 days into the allowed 2 month extension period.

2.3 Planned activities for the coming months include:

- Raising awareness of DPA requirements;
- Introductory & refresher training for members and employees;
- Role specific training, such as Information Asset Owner training, redaction training etc.;
- The introduction of improved processes for Data Protection Impact Assessments to assist the Council to meet their obligations under the Data Protection by design and default;

- The Introduction of improved processes for Breach Management to assist with the evidence of compliance under the Accountability Principle;
- Ongoing monitoring to provide the Council with assurance that the obligations of the Data Protection Act 2018 are being met.

3 RISK ASSESSMENT

3.1 Legal

Currently, all organisations in the UK that collect, process or store personal information must comply with the Data Protection Act 2018 (DPA 2018), which includes the provisions of the EU General Data Protection Regulation (GDPR). In the event of a data breach, the Council could face fines of 2% of annual global turnover or €10 million for failure to notify the Statutory Authority (ICO) of a high risk breach. This can be combined with the 4% of annual global turnover or €20 million for failure to comply with Data Protection legislation.

The policy assist the Council in ensuring compliance and therefore the legal risk is therefore currently medium.

3.2 Financial

The current revenue budget includes provision for the salary and oncosts of an Information Governance Officer, on an ongoing basis, which helps to mitigate the Financial and Legal risks but does not mitigate these fully.

Failure to comply with the Data Protection Act can result in significant fines and/or enforcement action.

The financial risk of implementing the recommendations of this report is assessed as “low”.

3.3 Corporate Risk

The Council holds significant amounts of information / data, some of which is classed as personal data. The Council has a responsibility to adopt arrangements that protect personal data while at the same time it faces intense pressure to deliver a sustainable budget and innovation in service delivery while meeting public demands for greater transparency in decision-making and performance.

With the Council's aspiration to become “digital by default”, along with mobile and home working arrangements, there is an increased risk that data is shared inappropriately with the wrong individuals/bodies/committees etc. and that information is not appropriately safeguarded. Effective arrangements for data protection will ensure that the Council does not risk financial or reputational damage arising from data protection security breaches. There is a need to further develop the data protection culture at the Council to place data protection at the forefront of everything we do, so that we take a ‘data protection by design and default’ approach and Directors and senior managers are accountable for ensuring compliance with the requirements of the Data Protection Act for their respective service areas.

“Data Protection and Information Governance” is included as a risk on the Council’s strategic risk register and is regularly reviewed. The risk is currently assessed as Medium.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

Karen Henriksen, Head of Resources

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6 BACKGROUND PAPERS

None

7 ATTACHMENTS

Appendix 1 - Data Protection Policy

Data Protection Policy

Draft To Be Approved by G&R Committee 20 August 2020

Document Control

Document Control V1.3	
Title	Data Protection Policy
Created By/Owner	Data Protection Officer
Created Date	August 2020
Protective Classification	OFFICIAL
Policy Approved by	Information Governance Board & Corporate Leadership Team
Date of next review	2022 or when required by change in legislation, if earlier.

Document Amendment History			
Revision No	Revised by	Date of Change	Description of Change
1.0	Data Protection Officer	March 2018	Version 1
1.1	Information Governance Officer	06/05/2020	Update in line with ICO Guidance
1.2	Information Governance Board	18/05/2020	Change of wording
1.3	Data Protection Officer	04/08/20	Change of wording

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DATA PROTECTION POLICY

1. POLICY

- 1.1. The processing of personal data is essential to many of the services and functions carried out by local authorities. Derbyshire Dales District Council ('the Council') recognises that compliance with the Data Protection legislation will ensure that processing is carried out fairly, lawfully and transparently.
- 1.2. The Data Protection Act, and Article 8 of the Human Rights Act 1998, both stress that the processing of personal data needs to strike a balance between the needs of the organisation to function effectively and efficiently, and respect for the rights and freedoms of the individual. This policy sets out how the Council intends to safeguard those rights and freedoms.
- 1.3. The Data Protection Act 2018 sets out the data protection framework in the UK, alongside the General Data Protection Regulations (GDPR).. Derbyshire Dales District Council recognises the need to abide by the legislation and associated guidance issued by the supervisory authority (the Information Commissioner's Office) (ICO)).
- 1.4. This policy replaces any previous data protection policy statement.

2. SCOPE

- 2.1 The policy is applicable to all employees, Elected Members, apprentices, agency workers, unpaid volunteers and those on work experience. In certain circumstances it will apply to contractors working for the Council.
- 2.2 This policy applies to the collection and processing of all personal data as defined by the legislation as that of a 'natural person'. It covers all formats including paper, electronic, audio and visual formats. The policy will only deal with the personal data of a living person and does not apply to the data of a deceased person.
- 2.3 The policy applies to all employees working within Elections although the post of Electoral Registration Officer is registered, for the processing of elections data, with the Information Commissioners Office separately.
- 2.4 Key delivery partners who process data on the Council's behalf, such as for the Revenues and Benefits Service, will have their own policy statements in respect to data protection. These, however, will be in line with the Council's policy and Data Protection requirements should be defined in the service contract or in an Information Sharing Agreement.

3. POLICY PRINCIPLES

- 3.1 The policy is a statement of what the Council is doing to ensure compliance with the legislation. It is not a statement of how compliance will be achieved as this will be a matter for operational procedures.
- 3.2 The policy has been produced to ensure compliance with the relevant legislation and to ensure customers gain appropriate access to data and information on request. As such the policy will be made available to the public

4. DATA PROTECTION STATEMENT

- 4.1 The Data Protection Act applies to the processing of personal data wholly or partly by automated means as well as that in filing systems or intended to form part of a filing system at a later date. To be applicable the data has to be stored in a structured way to enable retrieval. **'Filing system'** means any structured set of personal data, whether centralised, decentralised or dispersed on a functional or geographical basis.
- 4.2 **'Personal data'** means any information relating to an identified or identifiable natural person (data subject). As defined by the legislation an identifiable natural person is one who can be identified directly or indirectly in particular by reference to an identifier such as a name, a number, location data etc. This may also include online identifiers provided by their devices, applications, tools and protocols, such as internet protocol addresses, cookie identifiers or radio frequency identification tags. Such identifiers may leave traces which combined with other information may be used to create profiles of the natural person and identify them.
- 4.2 Derbyshire Dales District Council is the **'Controller'** who determines the purposes and means of processing personal data. Processing means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaption or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.
- 4.3 The legislation applies to **'Processors'** who act on the controller's behalf and places further obligations on both parties. The 'Processor' means a natural or legal person, public body, agency or other body which processes personal data on behalf of the Council. Any processing of personal data in the context of the activities of an establishment of a controller or a processor shall be carried out in accordance with the legislation.

5. DATA PROTECTION PRINCIPLES

5.1. The following **principles** relate to the processing of personal data and set out the main responsibilities for the Council under the legislation. Article 5 of the legislation requires that personal data shall be:

- (a) Processed lawfully, fairly and in a transparent manner in relation to the data subject. This will commonly be known as – **lawfulness, fairness and transparency**.
- (b) Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes; further processing for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes shall not be considered incompatible with the initial purposes. This will be commonly known as – **purpose limitation**.
- (c) Adequate, relevant and limited to what is necessary in relation to the purpose for which they are processed. This will be commonly known as – **data minimisation**.
- (d) Accurate and where necessary, kept up-to-date; every reasonable step must be taken to ensure that personal data that are inaccurate, having regard to the purposes for which they are processed, are erased or rectified without delay. This will be commonly known as – **accuracy**.
- (e) Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; personal data may be stored for longer periods insofar as the personal data will be processed solely for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes subject to implementation of the appropriate technical and organisational measures required by this legislation in order to safeguard the rights and freedoms of the data subject. This will be commonly known as – **storage limitation**.
- (f) Processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures. This will be commonly known as – **integrity and confidentiality**.

6. DATA PROTECTION COMPLIANCE

6.1. In order for processing to be lawful the Council must meet one or more conditions, not all of which apply to local government. The conditions for **lawful processing** are detailed in Appendix 1. In general terms the Council will rely on the conditions of 'legal obligation' or 'public task' as the basis of processing for statutory services and 'performance of a contract'

for services which are discretionary and allow customer choice. There will however be circumstances where personal data is highly sensitive and **consent** may form an additional legal basis for processing.

- 6.2 The Council will explain the reasons for processing personal data through the use of **Privacy Notices**. Depending on the method of contact these may be written as part of a data capture form or verbal. Further details can be found on the Council website.
- 6.3 In order to deliver services the Council has been regularly processing 'Special Category data' (previously known as Sensitive data) such as that relating to the health of an individual or ethnic origin. Personal data which, by their nature, are particularly sensitive merit specific protection as the context of their processing could create significant risks to the data subject. These are also detailed in Appendix 1.
- 6.4 The Council has a duty to retain personal data whilst it is legally required to do so. **Security measures** are in place to ensure data is safely stored both in electronic and paper format. The Council has an Information Security Policy to ensure that all staff are aware of their responsibilities. Personal data will be retained in line with the Council's Guidelines on Retention and Disposal of Data, a copy of which is available on request. When data is no longer required it will be safely destroyed or deleted from electronic equipment.
- 6.4 In order to provide an effective public service the Council may need to share data with third parties and delivery partners who process data on our behalf. Any **sharing of data** will be in line with legislation and where applicable data subjects will be notified as part of the privacy notice. Under certain circumstances where legislation applies the Council will share data with other bodies without consent, for instance for data matching or to prevent fraud or detect crime. A number of Information Sharing Agreements are also in place to ensure effective transfer of data to other bodies, such as the County Council for emergency planning situations and child protection. Such sharing agreements have also been put in place with certain government departments.
- 6.5 The Council has a duty to ensure that all employees that come into contact with personal data have been adequately trained. This will involve **training** as part of the induction process and throughout the course of their employment. All employees will receive basic data protection and information security training which will be in proportion to the job role undertaken. Refresher training will be mandatory every 2 years for office based employees. Additional on-the-job training may also be necessary in areas processing sensitive or high risk data, such as those containing Special Categories, financial data or using high risk technology. With the assistance of the Data Protection Officer, Human Resources will maintain an accurate record of all data protection training undertaken. Apprentices, unpaid volunteers and those on work experience will receive basic information on the importance of data protection in line with their job role. Elected members will receive regular training on data protection and

information security. Delivery partners who process data on our behalf will also have to demonstrate that they train their employees.

- 6.6 As stated the Council will ensure measures are in place to protect data, however data breaches may occur. A **data breach** is defined as a breach of security leading to the destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. The Council will investigate all data breaches and establish the risk to individuals such as discrimination, damage to reputation, financial loss, loss of confidentiality or other significant economic or social disadvantage. The Council will maintain a register of data protection breaches and near misses. Where a risk is likely to have a significant detrimental impact the Council will notify the Information Commissioners Office within 72 hours of identification. Under such circumstances the Council also has a duty to notify those concerned directly. If a breach occurs, the Council and where appropriate its delivery partners, will decide the most appropriate method of communication. This may include placing messages on the website, sending letters or notifying the data subject by telephone. Any breaches reported to the Information Commissioners Office will be done so in accordance with their guidance.

7. DATA SUBJECTS' RIGHTS

- 7.1. The Council will have operational processes in place to ensure the following rights apply for each data subject:
- a. The right to be informed
 - b. The right of access
 - c. The right of rectification
 - d. The right of erasure
 - e. The right to restrict processing
 - f. The right of data portability
 - g. The right to object
 - h. Rights in relation to automated decision making and profiling.
- 7.2. Under the legislation individuals have a right to obtain confirmation that their data is being processed, have access to their personal data and be provided with other supplementary information on how their data is being used through the use of a privacy notice. The request for access will commonly be done through a Subject Access Request.
- 7.3 The identity of the individual making the Subject Access Request must be verified using two forms of formal identification which includes both the name and address. This is to ensure that the Council only releases information to the correct data subject. This verification could be a bank statement, passport, utility bill, driving license etc. If visual information is being requested e.g. CCTV images, photographic identification of the data subject will also be needed. If Officers have any reasonable doubt about the identity of an individual they have a right to refuse the request. The Council will take every care to redact any information on other data subjects within the documents before release.

- 7.4 The personal data requested will be provided **free of charge**. A 'reasonable fee' (based on administrative cost) can be charged if a request is manifestly unfounded or excessive in nature, or repetitive. In such circumstances a refusal notice will be issued without undue delay and at the latest within one month. The legislation permits the Council to seek clarification from the requestor if necessary.
- 7.5 The Council will have **one month** from receipt of request to provide the information, ideally however the information will be provided without delay. Complex requests can be extended for a further 2 months, although the requester will be informed within the original one month period. The Council has an operational procedure in place to deal with subject access requests. Information for members of the public wishing to make a Data Subject Access Request can be found on the website. Employees wishing to make a Data Subject Access Request for access to their own personal data should contact Human Resources.
- 7.6 The Council will have in place operational procedures for the additional rights of rectification, erasure, restricting processing, data portability, objection and rights in respect to automated decision making/profiling. Some of these rights will depend on the original condition for processing and may not apply.
- 7.7 Should any member of the public wish to make a complaint about the processing of their data by the Council then they should use the Council's Complaints Procedure which is available on the website. The public also have a right to contact the Information Commissioner's Office who are the supervisory authority for data protection matters under the legislation.

8. ACCOUNTABILITY AND GOVERNANCE

- 8.1 The Council will implement appropriate technical and organisational measures to ensure that they are compliant with the legislation and have good governance arrangements in place. The Council will:
- Maintain its annual payment of the data protection fee to the supervisory authority (the Information Commissioner's Office) (ICO))
 - Adopt and implement data protection policies (where proportionate)
 - Maintain relevant documentation on processing activities.
 - Have a designated Data Protection Officer at an appropriate level within the organisation and provide suitable resources to support the role.
 - Implement measures to meet the principle of data protection by design and default, through the use of Data Protection Impact Assessments.
 - Ensure transparency and pseudonymisation of data where appropriate.
 - Ensure contracts and data sharing agreements are in place to ensure all parties understand their responsibilities and liabilities for processing personal data
 - Record and, where necessary, report personal data breaches to the ICO
 - Maintain suitable data protection training to staff and ensure it is part of their learning and development programme
 - Create and improve security measures on an on-going basis.

- Follow the relevant supervisory authority's guidance (ICO, SCC CoP) to ensure that its processing of personal data is in line with the supervisory authority's best practices such as
- 8.2. The Council has an Information Governance Board which monitors and implements data protection compliance. Reports are also taken to senior management and to elected members. Internal Audit periodically conduct checks on data protection compliance. External inspection and support has also been sought on compliance issues to ensure effective implementation of the legislation.

9. RESPONSIBILITY FOR IMPLEMENTATION

- 9.1 Keeping the policy under review and updating the policy is the responsibility of the Data Protection Officer for the Council. Corporate Leadership Team are responsible for implementing this policy and the legislation in general.
- 9.2 Managers at all levels are responsible for ensuring that employees, agency workers, apprentices, unpaid volunteers and work placements for whom they are responsible are aware of and adhere to this policy. Managers are also responsible for ensuring that employees are updated in regard to any changes in this policy and receive regular training.
- 9.3 All Employees need to be aware that a breach of the legislation could result in disciplinary action being taken.

CONDITIONS FOR LAWFUL PROCESSING

Processing of personal data by the Council will only be lawful if at least **one** of the following applies:

- (a) the data subject has given **consent** to the processing of their personal data for one or more specific purposes;
- (b) processing is necessary for the performance of a **contract** to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract;
- (c) processing is necessary for compliance with a **legal obligation** to which the controller is subject;
- (d) processing is necessary in order to protect the **vital interests** of the data subject or of another natural person;
- (e) processing is necessary for the performance of a **task** carried out in the public interest or in the exercise of official authority vested in the controller;

Within the Act is a further condition as follows:

- (f) processing is necessary for the purposes of **legitimate interests** pursued by the controller or by a third party, except where such interest are overridden by the interest or fundamental rights and freedoms of the data subject which require protection of personal data, in particular where the data subject is a child.*

However the guidance states that this will not apply to processing carried out by public authorities in the performance of their tasks. As such this should not be relied upon for processing.

Additional conditions apply to the processing of **Special Category** data that would reveal:

- racial or ethnic origin
- political opinions
- religious or philosophical beliefs
- trade union membership

and the processing of:

- genetic data
- biometric data for the purpose of uniquely identifying a natural person
- data concerning health
- data concerning a natural person's sex life or sexual orientation.

Processing of the above are prohibited unless one of the following applies:

- (a) the data subject has given **explicit consent** to the processing for one or more specified purposes;

- (b) processing is necessary for the purpose of carrying out an obligation such as employment and social security and social protection law;
- (c) processing is necessary to protect the vital interests of the data subject and the natural person is physically or legally incapable of giving consent;
- (d) processing is carried out in the course of its legitimate activities of a foundation, association or not-for-profit organisation
- (e) processing relates to personal data which are manifestly made public by the data subject;
- (f) processing is necessary for the establishment, exercise or defence of legal claims or whenever courts are acting in their judicial capacity;
- (g) processing is necessary for reasons of substantial public interest;
- (h) processing is necessary for the purposes of preventive or occupational medicine, for the assessment of the working capacity of the employee, medical diagnosis, the provision of health or social care or treatment of the management of health or social care systems and services;
- (i) processing is necessary for reasons of public interest in the area of public health, such as cross border threats to health;
- (j) processing is necessary for archiving purposes in the public interest, scientific or historical research.

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Director of Resources

EXTERNAL AUDIT REVIEW OF INTERNAL AUDIT

PURPOSE OF REPORT

The purpose of this report is to consult members on the format of the external review of internal audit that is required by the Public Sector Internal Audit Standards.

RECOMMENDATION

1. To approve an external assessment of Derbyshire Dales District Council's Internal Audit Section at the same time as the external assessment of the Internal Audit Consortium.
2. To delegate authority to the Internal Audit Consortium Manager and the Director of Resources to agree the specification of the assessment, to assess quotations received based on cost and quality and to appoint an external provider to undertake the assessment.
3. That the budget for the assessment (£2,000) be included in the revenue spending proposals for 2021/22.

WARDS AFFECTED

None

STRATEGIC LINK

Internal Audit's service aims and objectives are the provision of an independent service, which objectively examines, evaluates and reports to the Council and its management on the adequacy of the control environment. This contributes to the Council's core values of being open and transparent when making decisions and using public resources ethically and responsibly.

1 BACKGROUND

- 1.1 The Public Sector Internal Audit Standards (PSIAS) were introduced from the 1st April 2013 and Internal Audit has been working to those standards since that date. The PSIAS require that internal and external assessments of internal audit must take place.
- 1.2 An internal self- assessment against the PSIAS utilising the recommended CIPFA checklist has been undertaken on an annual basis by the Internal Audit Consortium

Manager. These reviews have confirmed that the Internal Audit Section is compliant with the standards.

- 1.3 The PSIAS require that an external assessment should be carried out at least once every 5 years by a qualified, independent assessor or team.
- 1.4 Derbyshire Dales District Council joined with the Internal Audit Consortium to have their first external assessment in July 2016. The results of the review were reported to this committee in October 2016. The review concluded that the Consortium and DDDC met, and in some places exceeded, the requirements of the Public Sector Internal Audit Standards. A number of improvements were identified from the review and these have been implemented.
- 1.5 The next external review of internal audit is due in July 2021. It is recommended that DDDC have their external review at the same time as the Internal Audit Consortium in order to take advantage of economies of scale and the shared learning that this would offer.
- 1.6 The Internal Audit Consortium Manager is required by the PSIAS to discuss the following in advance of the assessment with the relevant Committee :-
 - The form of external assessments
 - The qualifications and independence of the external assessor or assessment team, including any potential conflict of interest

2 Form of assessment

- 2.1 It is suggested that an appropriate means of assessment would be by reviewing performance against the Public Sector Internal Audit Standards checklist. This will identify if there are any areas of non-compliance or where improvements could be made.

3 Qualification of Assessor / s

- 3.1 The assessors would need to be appropriately qualified. Competence can be demonstrated through a mixture of experience and theoretical learning. The standards state that experience gained in organisations of similar size, complexity, sector or industry and technical issues is more valuable than less relevant experience.
- 3.2 The Internal Audit Consortium Manager should use their professional judgement when determining if the assessor is appropriately qualified but the following guidelines could be used:-
 - Does the reviewer possess a recognised professional qualification?
 - Does the reviewer have appropriate experience of internal audit e.g. 5 years at manager level within the public sector?
 - Does the reviewer have detailed knowledge of leading practices in internal audit and current, in-depth knowledge of the PSIAS?

4 Assessment Process

- 4.1 The review would likely be carried out through a process of review of documentation e.g. the Internal Audit Charter, internal audit working papers and interviews/questionnaires. The external assessor may wish to speak to the section 151 Officers, the Chairs of the Audit Committees, audit staff and a sample of clients.

5 Procurement of Assessor / potential cost

- 5.1 Under Chesterfield Borough Council's procurement rules for goods and services between £1,001 - £10,000 quotations must be obtained from more than one supplier and between £10,001 and £50,000 three written competitive quotations must first be obtained.
- 5.2 In October 2016 the external review for the Internal Audit Consortium and Derbyshire Dales District Council cost £3,600. The assessment was undertaken by Robin Pritchard from Business Risk Solutions (previously Gateway Assure). It is proposed therefore that three written quotations be obtained.

6 Potential Assessors

- 6.1 In order to inform the decision who to ask to quote, other internal audit providers were surveyed to ask:-

- Who did you use to conduct your last external review?
- Were you happy with the quality of the review?
- Cost of the review (if happy to divulge)?

- 6.2 In fact, only 2 main parties have been used by all of those that responded and in one instance the Institute of Internal Auditors. A summary of the feedback is:-

CIPFA (Ray Gard / Elizabeth Humphries) – very thorough, a bit picky, expensive compared to Robin Pritchard. Cheaper if you go to their own companies rather than through CIPFA. (Used by 8 of the respondents)

Robin Pritchard (Business Risk Solutions) – very pleased with review and price, pragmatic in approach. (Used by 8 of the respondents)

- 6.3 Both of these parties are suitably experienced and qualified to undertake external reviews.

- 6.4 Other parties that may be interested in undertaking the assessment of internal audit include:-

- External Audit firms
- The Institute of Internal Auditors
- Firms providing assurance services/individuals

- 6.5 Based on the results of the survey and our own previous experience it is suggested that quotes are requested from Robin Pritchard (Business Risk Solutions), CIPFA and at least one other.

- 6.6 Consideration has been given to a peer review e.g. by Derbyshire County Council's Internal Audit Section, however, on balance it is felt that a peer review could lead to a potential conflict of interest or sour relations for future working together. Peer reviews do not appear to have taken place in the Midlands.

7 RISK ASSESSMENT

7.1 Legal

This report ensures that the Council meets the Public Sector Internal Audit Standards. The procurement will be carried out under Chesterfield Borough Council's Contract Standing Orders, with Derbyshire Dales District Council being recharged with a proportion of the cost. Therefore the legal risk is low

7.2 Financial

The total cost of the review will be split equally between the Consortium partners and Derbyshire Dales District Council. A budget of £2,000 for the estimated cost of Derbyshire Dales District Council's share of the external review will need to be included in the 2021/22 revenue spending proposals (budget).

7.3 Corporate Risk

The procurement of an assessor to undertake an independent review of the internal audit service will ensure that PSIAS requirements are met. The review will identify the strengths and weaknesses of the internal audit service and make recommendations for improvement thereby strengthening governance arrangements. If an external review is not undertaken then there is a risk that any failings within the internal audit service will be undetected.

8 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

9 CONTACT INFORMATION

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10 BACKGROUND PAPERS

None

11 ATTACHMENTS

None

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Director of Resources

INTERNAL AUDIT ANNUAL REPORT 2019/20

PURPOSE OF REPORT

The purpose of this report is to:

- Present a summary of the internal work undertaken during 2019/20 from which the opinion on the internal control environment is derived;
- Provide an opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion;
- Draw attention to any issues that require inclusion in the Annual Governance Statement;
- Present the results of the performance indicators for internal audit;
- Comment on compliance with the Public Sector Internal Audit Standards (PSIAS);
- Comment on the results of the internal quality assurance programme;
- Confirm the organisational independence of internal audit;
- Review the performance of the Internal Audit Section against the current Internal Audit Charter.

RECOMMENDATION

That the Internal Audit Annual Report for 2019/20 is approved.

WARDS AFFECTED

None

STRATEGIC LINK

Internal Audit's service aims and objectives are the provision of an independent service, which objectively examines, evaluates and reports to the Council and its management on the adequacy of the control environment. This contributes to the Council's core values of being open and transparent when making decisions and using public resources ethically and responsibly.

1 BACKGROUND

- 1.1 The Public Sector Internal Audit Standards (PSIAS) require that the results of audit activities are reported to the responsible body. This report summarises the work undertaken by internal audit during the year 2019/20. This report also fulfils the requirement of the PSIAS that the Head of Internal Audit deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.

2 SUMMARY OF WORK UNDERTAKEN

2.1 Appendix 1 details the audit reports issued in respect of audits included in the 2019/20 internal audit plan. The appendix shows for each report the assurance level on the reliability of the internal controls. The report opinions can be summarised as follows:

Level of Assurance	Number of Reports 2019/20	Number of reports 2018/19
Substantial	9	10
Reasonable	9	6
Limited	1	2
Inadequate	0	1
Total	19	19

A definition of the above assurance levels is shown at the end of Appendix 1.

2.2 There were no issues relating to fraud arising from the reports detailed in Appendix 1.

2.3 The following table summarises the performance indicators for the Internal Audit Section:

Description	2019/20		2020/21
	Plan	Actual	Plan
Percentage Plan Completed	96%	91%*	75%**
Number of Complaints	0	0	0
Completion of Annual Report	May 2020	June 2020	May 2020
Customer Satisfaction Score	85%	97%	85%
Net Cost per audit day	£204	£197	£208
Number/proportion of audits completed within time allocation	80%	71%	80%
% Recommendations Implemented where due date has passed	80%	Note 1	80%

* Two audits were not completed. The refuse collection contract audit was deferred as it was felt more benefit would be gained reviewing the operation of the new contract in 20/21. The transport audit has been deferred to 20/21 at the request of management.

** The planned completion % has been reduced this year due to the impact of COVID 19 for the following reasons:-

- Getting used to a new way of working and the difficulty in being able to effectively undertake audits when working from home and obtaining information in a timely fashion;
- The Senior Auditor being without a laptop for 3 weeks therefore unable to work from home;
- Officers either being redeployed or concentrating on supplying key services with less staff so being unable to accommodate an audit;
- The Senior Auditor being has been heavily involved in aiding management to introduce sound systems and processes in respect of the payment of business grants.

Note 1 45 recommendations were made in 2019/20, 3 with high priority, 23 with medium priority and 19 with low priority. Due to COVID 19 it is not possible at this point in time to identify how many of those recommendations are outstanding. A report will be brought to members in September 2020 that will detail all outstanding recommendations along with any manager's comments.

3. OPINION ON THE ADEQUACY AND EFFECTIVENESS OF THE CONTROL ENVIRONMENT

- 3.1 The Internal Audit Consortium Manager is responsible for the delivery of an annual audit opinion that can be used by the Council to inform its governance system. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of Governance, risk management and control.
- 3.2 *"In my opinion reasonable assurance can be provided on the overall adequacy and effectiveness of the council's framework for governance, risk management and control for the year ended 2019/20".*
- 3.3 Assurance can never be absolute. In this context "reasonable assurance" means that arrangements are in place to manage key risks and to meet good governance principles, but there are some areas where improvements are required.
- 3.4 Overall 18 out of 19 (95%) of the areas audited received Substantial or Reasonable Assurance demonstrating that there are effective systems of governance, risk management and control in place.
- 3.5 There was 1 limited assurance report (Asset Management) issued during the year. In this area the governance, risk management and control arrangements were not operating effectively, some key risks were not well managed and there was a risk that the systems objectives would not be achieved.
- 3.6 Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement.

4. ISSUES FOR INCLUSION IN THE ANNUAL GOVERNANCE STATEMENT (AGS)

- 4.1 The internal control issues arising from audits completed in the year have been considered by the Director of Resources during the preparation of the Annual Governance Statement. Asset Management has been included as a significant governance issue in the Annual Governance Statement Action Plan.

5. COMPARISON OF PLANNED WORK TO ACTUAL WORK UNDERTAKEN

- 5.1 The Internal Audit Plan for 2019/20 was approved by the Governance and Resources Committee on the 28th February 2019. Overall, 91% of planned audits were completed during the year. Two audits were not completed (refuse collection and transport) and these will be carried forward in to the 20/21 financial year.

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

- 6.1 During 2019/20 a self- assessment was undertaken to review compliance with the Public Sector Internal Audit Standards. The results confirmed that there were no significant areas of non-compliance.
- 6.2 In October 2016 the Internal Audit Consortium was subject to an external review to ensure compliance with the Public Sector Internal Audit Standards. The review concluded that the Consortium was compliant with and in places exceeded the requirements of the PSIAS. An improvement spreadsheet is in place to log and action improvement ideas.
- 6.3 It can also be confirmed that the internal audit activity is organisationally independent. Internal audit reports directly to the Director of Resources but has a direct and unrestricted access to senior management and Governance and Resources Committee.
- 6.4 Quality control procedures have been established within the internal audit section as follows:
- Individual Audit Reviews – Working papers and reports are all subject to independent review to ensure that the audit tests undertaken are appropriate, evidenced and the correct conclusions drawn. All reports are reviewed to ensure that they are consistent with working papers and in layout. Whilst these reviews can identify issues for clarification, the overall conclusion of the quality assurance checks is that work is being completed and documented thoroughly.
 - Customer Satisfaction – A Customer Satisfaction Survey form is issued with each report. This form seeks the views of the recipient on how the audit was conducted, the report and recommendations made.
 - Client Officer Views – A survey form was issued to the client officer seeking her views on the overall performance of the internal audit section for the year in achieving the objectives set out in the Internal Audit Charter.
 - The Senior Auditor on site operates to the Public Sector Internal Audit Standards.
- 6.5 The above quality procedures have ensured conformance with the PSIAS.
- 6.6 At the end of every audit a customer satisfaction survey is sent to the relevant manager to complete. Based on the customer satisfaction surveys returned, the average score for customer satisfaction during 2019/20 was 97%.
- 6.7 On an annual basis the client officer for internal audit (Director of Resources) is asked to complete a questionnaire in terms of the overall quality of service provided. The results of the Client Officer survey were a score of 97%.

7. REVIEW OF PERFORMANCE OF THE INTERNAL AUDIT SECTION AGAINST THE CURRENT INTERNAL AUDIT CHARTER

- 7.1 The Internal Audit Charter was last reported to and approved by the Governance and Resources Committee in July 2018. A further review and update of the Internal Audit Charter has been undertaken and will be circulated to members for approval.
- 7.2 Based on the information provided in this report on the completion of the 2019/20 internal audit plan, it is considered that the requirements of the Charter were met during the year.

8 RISK ASSESSMENT

8.1 Legal

Internal Audit provides a valuable service in reviewing procedures and processes against high standards of governance. Recommendations arising from specific reports help the organisation to learn, improve and mitigate risk. The audit serve is vital to make sure risks around the organisation are kept low or managed effectively and monitoring of the audit outcomes ensures that this aims are met. The legal risk identified in this report are low as it shows that the organisation seeks continued improvement.

8.2 Financial

There are no financial considerations arising from the report.

8.3 Corporate Risk

This report ensures that Members are aware of the work undertaken by internal audit during 2019/20 and internal audit's opinion on the adequacy and effectiveness of the systems in place at Derbyshire Dales District Council.

9 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

10 CONTACT INFORMATION

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Jenny Williams, Internal Audit Consortium Manager
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11 BACKGROUND PAPERS

None

12 ATTACHMENTS

Appendix 1 – Internal Audit Reports Issued 2019/20

Internal Audit Reports Issued 2019/20

Ref	Report Title	Assurance Level 2019/20
1	Gifts & Hospitality & Declarations of Personal Interest	Substantial
2	Creditors	Substantial
3	Debtors	Substantial
4	Car Parks	Reasonable
5	Council Tax	Substantial
6	VAT	Substantial
7	Budgetary Control	Substantial
8	Main Accounting	Reasonable
9	Corporate Targets	Substantial
10	Members Allowances	Reasonable
11	National Non Domestic Rates	Reasonable
12	Leisure Contract Management	Reasonable
13	Health & Safety	Reasonable
14	Housing Benefits	Substantial
15	Payroll	Reasonable
16	Network Security & Policies	Substantial
17	Choice Based Lettings	Reasonable
18	Safeguarding	Reasonable
19	Asset Management	Limited

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.

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Director of Resources

INTERNAL AUDIT CHARTER

PURPOSE OF REPORT

This report informs the Committee of the results of a review of the Internal Audit Charter and seeks approval for the updated Charter.

RECOMMENDATIONS

1. That the outcome of the review of the Internal Audit Charter is noted.
2. That the updated Internal Audit Charter be agreed.
3. That the Internal Audit Charter be reviewed in a year's time or sooner in the event of any significant changes being made to the Public Sector Internal Audit Standards.

WARDS AFFECTED

All

STRATEGIC LINK

Internal Audit's service aims and objectives are the provision of an independent service, which objectively examines, evaluates and reports to the Council and its management on the adequacy of the control environment. This contributes to the Council's core values of being open and transparent when making decisions and using public resources ethically and responsibly.

1 BACKGROUND

- 1.1 The Public Sector Internal Audit Standards (PSIAS) require that the purpose, authority and responsibility of internal audit must be formally defined in an Internal Audit Charter (Appendix 1).
- 1.2 The Internal Audit Charter was last formally approved by this Committee in July 2018. It was agreed that the Charter would be reviewed every 2 years to ensure that it is kept up to date.

2 REPORT

THE INTERNAL AUDIT CHARTER

- 2.1 The PSIAS were updated in April 2017 with some minor wording changes. There were no changes recommended in respect of the content of Internal Audit Charters.

2.2 The current Internal Audit Charter has been reviewed and it is felt that it is still fit for purpose. The only update is in relation to a title change from Head of Resources to Director of Resources.

2.3 The Internal Audit Charter is attached as Appendix 1.

3 RISK ASSESSMENT

3.1 Legal

There are no legal considerations arising from the report

3.2 Financial

There are no financial considerations arising from the report.

3.3 Corporate Risk

The re-adoption of the Internal Audit Charter will help to ensure that the Internal Audit Consortium continues to provide a quality service in line with the PSIAS.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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6 BACKGROUND PAPERS

Public Sector Internal Audit Standards April 2017

7 ATTACHMENTS

Appendix 1 – Internal Audit Charter

DERBYSHIRE DALES DISTRICT COUNCIL

INTERNAL AUDIT CHARTER

INTRODUCTION

1. The Public Sector Internal Audit Standards (PSIAS) which took effect from 1 April 2013 require the adoption of an Internal Audit Charter. This Charter describes the purpose, authority and principal responsibilities of the Internal Audit Section that have been established to provide the internal audit service to Derbyshire Dales District Council.

PSIAS/REGULATORY BASIS OF OPERATION

2. The adoption of the PSIAS is mandatory and includes a:
 - Definition of Internal Auditing
 - Code of ethics
 - International Standards for the Professional Practice of Internal Auditing

3. The Mission of Internal Audit is:-

To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

4. The Internal Audit Section adopts the PSIAS and the purpose and definition of Internal Audit as specified by the PSIAS:-

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes

5. The Internal Audit Section also adopts the Core Principles for the Professional Practice of Internal Auditing. These are that the Section:-

- Demonstrates integrity.
- Demonstrates competence and due professional care
- Is objective and free from undue influence (independent)
- Aligns with the strategies, objectives, and risks of the organisation,
- Is appropriately positioned and adequately resourced
- Demonstrates quality and continuous improvement
- Communicates effectively
- Provides risk-based assurance.
- Is insightful, proactive, and future-focused.
- Promotes organisational improvement.

6. The requirement for an internal audit function in local government is specified within the Accounts and Audit (England) Regulations 2015, which state:

A relevant body must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking in to account public sector internal auditing standards or guidance.

7. Internal Audit is governed by policies, procedures, rules and regulations established by the Council. These include Financial Regulations, Conditions of Service, Codes of Conduct and Anti-Fraud, Bribery and Corruption strategies.
8. Where key services are to be provided to the Council by other contractors or through a partnership, in order for internal audit to form an opinion on the controls operating, a right of access to relevant information and documents should be included in contracts or agreements concerned.

DEFINITIONS

9. The PSIAS require that the Charter must define the terms “Board” and “Senior Management” for the purposes of internal audit activity.
10. The PSIAS glossary defines the board as:

The highest level of governing body charged with the responsibility to direct and/or oversee the activities and management of the organisation. Typically this includes an independent group of directors (e.g. a board of directors, a supervisory board or a board of governors or trustees). If such a group does not exist, the “board” may refer to the head of the organisation, “Board” may refer to an audit committee to which the governing body has delegated certain functions.
11. At Derbyshire Dales District Council the “Board” will be the Governance and Resources Committee.
12. “Senior Management” – those responsible for the leadership and direction of the Council. This will be the Council’s Corporate Leadership Team.
13. The PSIAS adopt the term “Chief Audit Executive”, this role is met by the Internal Audit Consortium Manager for Chesterfield Borough, North East Derbyshire and Bolsover District Councils. Derbyshire Dales District Council employs the services of this Officer to ensure that the requirements of the PSIAS are met.

SCOPE AND OBJECTIVES OF INTERNAL AUDIT

14. The scope of the Internal Audit Section encompasses the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management and internal control processes in relation to the Council's defined goals and objectives.
15. The Audit Section's remit covers all functions and services for which the Council is responsible and this extends to the entire control environment of the organisation and not just financial controls.
16. The Internal Audit Section will objectively examine, evaluate and report on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
17. The internal audit service will be delivered on the basis of a risk assessment of auditable areas. A predominantly systems based approach to most audits will be adopted.
18. The internal control system comprises the whole network of systems to provide reasonable assurance that corporate objectives will be achieved, with particular reference to:
 - Consistency of operations with established objectives and goals,
 - The reliability and integrity of financial and operational information;
 - The effectiveness and efficiency of operations and programmes,
 - Safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity and corruption;
 - Compliance with laws, regulations, policies, procedures and contracts;
 - The economic and efficient use of resources (value for money), effective monitoring systems and optimum use of performance management information.
19. With the introduction of the PSIAS, internal audit may also provide "consultancy" services. This work could take any form, provided that the independence of the service is not compromised, but will typically include special reviews or assignments where requested by management, which fall outside the approved plan and for which a contingency is included in the audit plan. There will be no significant consultancy work undertaken without the approval of the Governance and Resources Committee.

RESPONSIBILITIES AND REPORTING

20. The PSIAS requires that the Internal Audit Charter should establish the responsibilities and reporting arrangements of internal audit.
21. The Internal Audit Consortium Manager reports directly to the Council's Governance and Resources Committee and to the Director of Resources. The Internal Audit Consortium Manager also has direct

access to the Council's Chief Executive, Monitoring Officer and where necessary elected Members

22. The Internal Audit Consortium Manager will manage the provision of the Internal Audit service by: -
- Preparing each year in advance a risk based audit plan for discussion and agreement by the council's Client Officer and approval by the Governance and Resources Committee. Any in-year significant changes to the audit plan shall be agreed by the Client Officer and the Governance and Resources Committee.
 - Presenting an annual report to the Governance and Resources Committee that meets the requirements of the PSIAS and includes:-
 - An overall opinion on the adequacy and effectiveness of the Council's control environment (including any qualifications to that opinion),
 - Presents a summary of the audit work from which the opinion is derived, including reliance placed on the work by other assurance bodies,
 - Draws attention to any issues the Internal Audit Consortium Manager judges particularly relevant to the preparation of the Annual Governance Statement,
 - Compares work actually undertaken with work that was planned and to report relevant performance measures and targets.
 - Presenting periodic reports to the Governance and Resources Committee summarising all internal audit reports issued and if considered necessary providing copies of the reports,
 - Formally report the findings and recommendations of audit work to senior management and the Governance and Resources Committee throughout the year. Audit reports will:-
 - Include an audit opinion on the reliability of the internal controls in the system or area audited,
 - Identify inadequately addressed risks and non-effective control processes,
 - Detail management's response and timescale for corrective action,
 - Identify issues of good practice.
 - Ensuring audit work is supervised, reviewed, recorded and reported,
 - Implementing a follow up process for ensuring the effective implementation of audit recommendations or ensuring senior management are aware of the consequences of not implementing a recommendation and are prepared to accept the risk,
 - Liaising as needed with the External Auditor and with other regulators,
 - Maintaining and managing a risk assessment in relation to the functions of the Council,
 - Ensuring that there is an up to date Audit Manual in place setting out expected standards for the service, and monitoring compliance with these standards, including in relation to the planning, conduct, quality assurance and reporting of audit assignments.

23. Senior managers should assist audit to discharge their duties by:
- The prompt provision of information and explanations,
 - Providing input to the audit plan to ensure attention is focused on areas of greatest risk,
 - Informing the Audit Section of any plans for change, including new systems,
 - Responding to the draft internal audit report, including provision of management responses to recommendations, within the timescale requested by the audit section,
 - Implementing agreed management actions in accordance with agreed timescales,
24. The Governance and Resources Committee must:
- Approve the Internal Audit Charter,
 - Approve the risk based internal audit plan,
 - Receive progress reports and an annual report from the Internal Audit Consortium Manager in respect of the audit plan,
 - Approve any large variances or consulting services not already included in the audit plan.

AUDIT RESOURCES

25. The Director of Resources will ensure that the Audit Section has the necessary resource to enable the Internal Audit Consortium Manager to be able to give an annual evidence-based opinion.
26. The staffing and budget of the Internal Audit Consortium will be kept under review by the Director of Resources, bearing in mind the resource requirements identified in the audit plan process. Where resources available do not match the resource requirements identified by the annual audit plans, the Director of Resources will report to the Governance and Resources Committee.
27. The Internal Audit Consortium Manager providing a management service to the Council will be professionally qualified (CMIIA, CCAB or equivalent) and have wide internal audit and management experience. The Internal Audit Consortium Manager/Director of Resources will ensure that the internal audit service is appropriately skilled in terms of qualifications, knowledge and experience.

QUALITY AND ASSURANCE PROGRAMME

28. The PSIAS state that a quality assurance and improvement programme must include both internal and external assessments. Internal assessments should be ongoing and periodical and external assessments must be undertaken at least once every 5 years.

29. All internal audits are subject to a management quality review. Policies and procedures to guide staff in performing their duties have been established within the audit manual.
30. The internal self-assessment of internal audit will be undertaken annually by completing the checklist for assessing conformance with the PSIAS included within the PSIAS Application Note.
31. External assessment can be satisfied by either arranging a full external assessment or by undertaking a self-assessment with independent validation. External assessments must be by a qualified, independent assessor from outside the organisation. The Internal Audit Consortium Manager/Director of Resources must discuss the format of the external assessments and the qualifications and independence of the assessor with the Governance and Resources Committee.
32. An external assessment of the internal audit function will take place at least once every 5 years and the results reported back to the Governance and Resources Committee.
33. The results of the quality and assurance programme and progress against any improvement plans must be reported in the annual report.

INDEPENDENCE , AUTHORITY AND ETHICS

34. In order to achieve its objectives effectively, Internal Audit must be seen to be independent. Internal auditors must maintain an unbiased attitude that allows them to perform their engagements in such a manner that no quality compromises are made.
35. The scope of internal audit allows for unrestricted access to all records, personnel, premises and assets deemed necessary to obtain information and explanations as it considers necessary to fulfil its responsibilities in the course of the audit. Such access shall be granted on demand and not subject to prior notice.
36. This right of access is included in the Council's Financial Regulations. In addition, where necessary, the Internal Audit Consortium Manger and the Senior Auditor will have unrestricted access to:
 - The Chief Executive
 - The Director of Resources
 - Members
 - The Monitoring Officer
 - The Chair and Members of the Governance and Resources Committee
 - Individual Directors / Senior Managers
 - All Other Employees
 - The External Auditor
37. The Internal Audit Consortium Manager will confirm to the Governance and Resources Committees at least annually, the organisational independence of the internal audit activity.

38. Independence is further achieved by:
- Reporting to the Governance and Resources Committee and senior management,
 - Not being part of system and procedures being audited,
 - Completing declaration of interest forms on an annual basis,
 - Internal Audit staff not undertaking an audit in an area where they have had operational roles for at least two years.
39. If any member of the Internal Audit Section considers there is or could be a conflict of interest, this must be declared to the Internal Audit Consortium Manager who will direct alternative and independent resources to the audit.
40. Where internal audit staff are required to undertake non-audit duties, the Internal Audit Manager will make it clear that those audit staff are not fulfilling those duties as internal auditors. The Internal Audit Consortium Manager will ensure that within the service there remains sufficient impartiality to enable the actions and activities of those internal audit staff to be subject to audit by those independent from the activity.
41. Internal auditors must conform to the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Ethics in addition to those of other professional bodies of which they hold membership.
42. The Code of Ethics promotes an ethical, professional culture to ensure fairness, objectivity and freedom from conflicts of interest. The key principles are;
- Integrity – to establish trust thus providing reliance on their judgement;
 - Objectivity – in gathering, evaluating and communicating information about the activity or process being examined in order to make a balanced assessment of all relevant circumstances without influence;
 - Confidentiality – to respect the value and ownership of information received which should not be disclosed without appropriate authority or a legal or professional obligation to do so, nor be used for personal gain; and
 - Competence – to apply knowledge, skills and experience appropriately.

FRAUD AND CORRUPTION

43. Managing the risk of fraud and corruption is the responsibility of management. The Council has an Anti-Fraud and Corruption strategy and a zero tolerance towards fraud.
44. The Internal Audit Consortium Manager/Senior Auditor should be notified of all suspected or detected fraud, corruption or impropriety in accordance with each Council's Financial Regulations and Anti-Fraud

and Corruption strategies, in order to inform their opinion of the internal control environment.

45. Subject to availability of resources with the internal audit plan, internal audit may assist management in the investigation of suspected fraud and corruption.
46. The Internal Audit Consortium Manager will report any instances of fraud detected as a result of audits undertaken to the Governance and Resources Committee.

REVIEW OF THE INTERNAL AUDIT CHARTER

47. The Internal Audit Charter will be reviewed every year by the Internal Audit Consortium Manger and will be reported to the Council's Governance and Resources Committee for approval.

GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Director of Resources

EXTERNAL AUDIT PROGRESS REPORT

PURPOSE OF REPORT

This report provides:

- an update on progress in the external auditors delivering their responsibilities for the audit of the 2019/20 Statement of Accounts;
- information about a fee increase;
- a summary of key national publications that may be of interest to Members.

RECOMMENDATION

That the “Audit Progress Report (August 2020)” from the External Auditor be noted.

WARDS AFFECTED

None

STRATEGIC LINK

None

1 REPORT

- 1.1 The Council’s external auditor, Mazars LLP, were appointed to audit the Council’s accounts for 2018/19 to 2022/23, following a national procurement exercise undertaken by Public Sector Audit appointments (PSAA).
- 1.2 The Audit Progress Report, shown at Appendix 1 to this report, provides Members with an update on progress in the external auditors delivering their responsibilities for the audit of the 2019/20 Statement of Accounts.
- 1.3 Working arrangements have been amended to reflect the changed working environment arising from the coronavirus pandemic. Key issues for the 2019/20 accounts and audit timetable include changes to the statutory deadlines for the publication of the draft financial statements and the publication of the final (audited) financial statements, as well as changes to the arrangements for public inspection of the statements. Details are provided in the progress report. The external auditor will present the Audit Completion Report (on the outcome of the audit) to the meeting of the Governance and Resources Committee on 19 November 2020.

- 1.4 The external Auditor has indicated that there will be an increased audit fee to reflect the increased level of work that was not considered when the scale fee was set. Further justification for the proposed fee increase is set out in the Audit Progress Report and reflects, in particular, additional work that must now be carried out to provide assurance on pensions and valuation of property, plant and equipment (PPE).
- 1.5 The scale fee set by PSAA for the audit of the 2019/20 statements is £29,487. The report does not indicate the level of the proposed fee increase, but says that it will be assessed during the audit and reported to officers and members when the work is complete. The external auditor has given an indicative increase of 20%, which would amount to just under £6,000. The auditor recognises that this is a different approach to previous years when fee levels were relatively certain in advance of the audit taking place, but says this reflects the turbulence and change in the audit environment, as described by PSAA Ltd and others.
- 1.6 Should Members disagree with the fee increase, it is understood that PSAA will determine an appropriate fee, and, if there is a dispute, they will consider the external auditor's request and reasons, and will also seek the Council's views before reaching their decision.
- 1.7 The Audit Progress report also provides details of key national publications that may be of interest to Members.

2 RISK ASSESSMENT

2.1 Legal

The legal risk is low as the report is seeking that the noting of the Audit Progress Report.

The issue regarding the fees is for information only and there is a process in place to determine these fees if the Council disputes the increase.

2.2 Financial

Subject to Members' approval, the additional fee for 2019/20 will have be financed from the General Reserve. For a fee increase of 20%, the financial risk would be assessed as low.

3 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4 CONTACT INFORMATION

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5 ATTACHMENTS

Appendix 1 – Mazars Audit Progress report for DDDC: August 2020

Audit Progress Report

Derbyshire Dales District Council

August 2020





CONTENTS

1. Audit progress
2. National publications
3. Contact details

This document is to be regarded as confidential to Derbyshire Dales District Council. It has been prepared for the sole use of the Governance and Resources Committee as 'those charged with governance'. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

1. AUDIT PROGRESS

Purpose of this report

This report provides the Governance and Resources Committee with an update on progress in delivering our responsibilities as your external auditor and also summarising key national publications that may be of interest to Members.

Changes in accounts and audit timetable

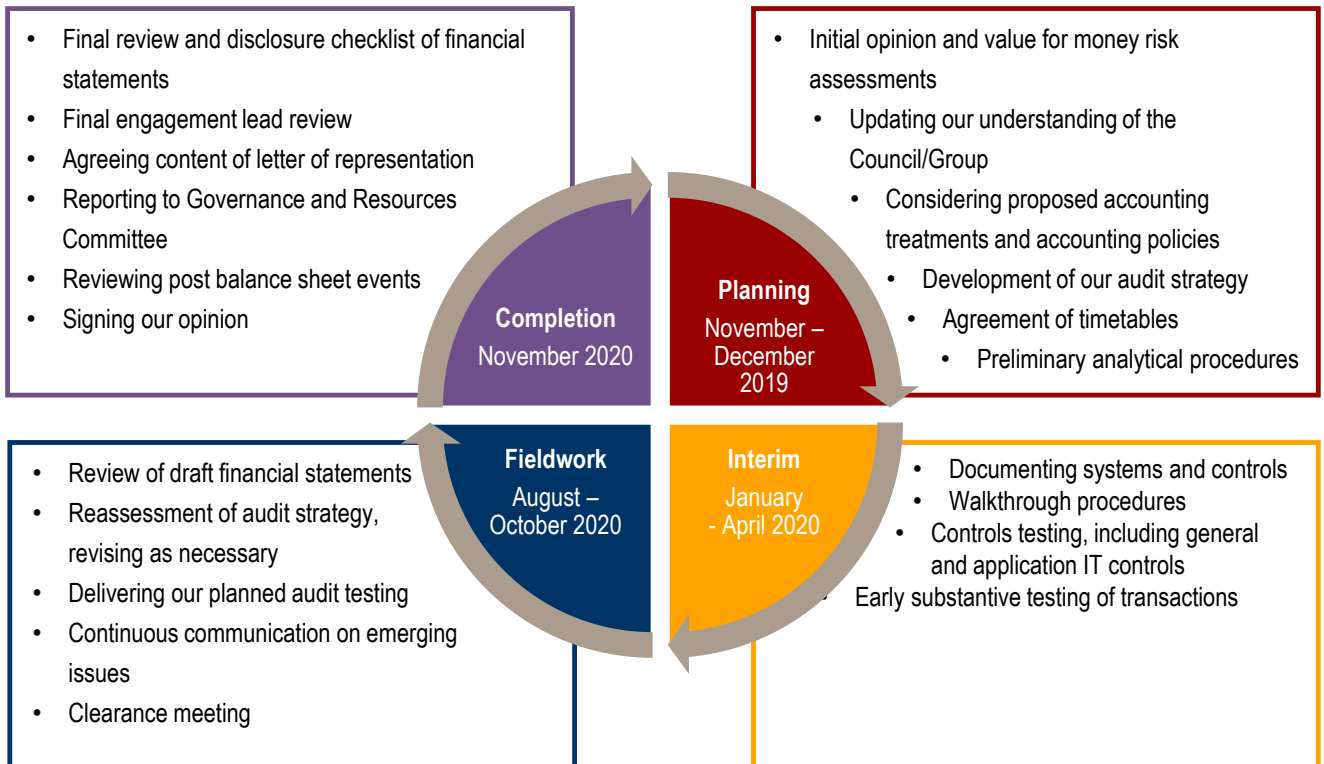
In April 2020 The Ministry of Housing, Communities and Local Government (MHLCG) confirmed that a statutory instrument (SI) amending the Accounts and Audit Regulations had been laid and came into force on 30 April 2020. The new effects of the amendments to the regulations are to change the dates that local authorities, are required to publish draft and final accounts, and to remove the 'common' period during which local electors can inspect and object to local authority accounts.

The key changes for publication of draft and final accounts are as follows:

- The deadline for authorities to publish draft financial statements moves from 31 May to **31 August 2020**.
- The deadline for publication of final (audited) financial statements moves from 31 July to **30 November 2020**.

The requirement for a 'common' inspection period has been removed. The requirement to hold a 30-working-day inspection period remains, but for 2019/20 authorities can commence the inspection period at any time, except it must commence **no later than 1 September 2020**. This will allow authorities to produce their draft accounts and commence their inspection periods as soon as they are able.

At the time of writing the Council is close to finalising its draft financial statements. The audit will be carried out primarily in September 2020 and our current plans are that we will present our Audit Completion Report to the Governance and Resources Committee on 19 November 2020, and the audit opinion, VFM conclusion and certificate will be issued soon thereafter. The table below updates the timetable from that included in our Audit Strategy Memorandum which was considered by the Governance and Resources Committee on 9 January 2020.



1. AUDIT PROGRESS

Mazars response to the COVID-19 pandemic

During the ongoing coronavirus situation, Mazars has implemented clear and decisive measures to ensure the welfare of our people and clients while ensuring that we continue to deliver for those who rely on us.

Ensuring resilience and maintaining the level and quality of client service

- Beyond protecting the welfare of our clients and people, Mazars' first priority is to continue to deliver on our business commitments. As part of our existing contingency planning, we have implemented systems and procedures to ensure continuity and to minimise any disruption.
- Our teams have full access to remote working technology with secure access to their applications, tools and data, wherever they are, and agile working processes are well-established across the firm.
- In a shifting environment, we will continue to adapt our approach to best navigate the uncertain situation while keeping our people and our clients front of mind.
- All partners and staff are working remotely, and our teams are making full use of virtual meetings and agile working technology to stay connected with each other and our clients, deliver on our commitments, and provide continuity and support at the time it's most needed.

Mazars' external website contains further details of its response to the emerging situation, along with regular economic briefings.

<https://www.mazars.co.uk/>

Responding to changes – working with Derbyshire Dales District Council

All Mazars' staff moved to remote working from the 16th March 2020. We are committed to supporting the Council as best we can, recognising first and foremost, the need to be flexible as the current environment changes and also potential pressures on the accountancy and finance teams of the Council. We have maintained open communication throughout this period and will continue to do so.

We are able to carry out the audit remotely and have put in place arrangements to allow this; for example, regular video conference calls and a shared site for secure transfer of data. The key difference is we will not, subject to any changes, have a physical on-site presence. We have maintained communication via e-mail, and regular telephone and video conferencing calls and will continue to do so.

Audit fee pressures arising from increased regulatory requirements

There will be an increased audit fee to reflect the increased level of work that was not considered when the scale fee was set.

We continually strive to maintain high standards of audit quality. One mechanism for doing this is to consider the outcome of independent quality reviews, in particular by the Financial Reporting Council, of our audit work and that of other audit suppliers. In particular we are planning increases in the level of work we do on:

- defined benefit pension schemes; and
- valuation of property, plant and equipment.

The regulatory pressures and consequential upward pressure on audit fees has been recognised by Public Sector Audit Appointments Ltd (PSAA Ltd) in its recent publications, notably as described in item 14 on page 12 of this report.

Our approach will be to assess the additional fee for the 2019/20 audit relating to these regulatory pressures during the audit fieldwork phase and to report the additional fee required to officers and Members when our fieldwork is complete. Any agreed additional fee is also subject to detailed scrutiny by the PSAA as part of the approval process.

We recognise that this is a different approach to previous years when fee levels were relatively certain in advance of the audit taking place, but this reflects the turbulence and change in the audit environment, as described by PSAA Ltd and others.

2. SUMMARY OF NATIONAL PUBLICATIONS

This section of our report contains national publications which may be of interest to Members, including recent publications in respect of Covid-19.

There have been many different briefings across different sectors, in respect of the emerging crisis and more are being published on an on-going basis. This summary does not intend to provide an exhaustive list of all recent publications, but to provide an overview of key areas.

Within Mazars, we liaise with the regulators for your sector on a regular basis and this will continue during the coming periods, so that we ensure we are up-to-date with emerging issues; we feed back any messages as part of on-going two-way communications.

	Publication/update	Key points
Financial Reporting Council and other regulators		
1.	Statement in respect of current situation	Highlights the impact for auditors and organisations and also the likelihood of an increase in modified opinions.
Chartered Institute of Public Finance and Accountancy (CIPFA)		
2.	Financial Scrutiny Practice Guide , 25 June 2020	Guidance on financial scrutiny in local government.
3.	CIPFA BULLETIN 05: Closure of the 2019/20 Financial Statements, 30 April 2020	This is technical guidance for those preparing financial statements.
National Audit Office (NAO)		
4.	Guide for audit and risk committees on financial reporting and management during COVID-19, 24 June 2020	NAO Guidance for Audit and Risk committees during the pandemic.
5.	Investigation into remediating dangerous cladding on high-rise buildings, 19 June 2020	NAO report on addressing the issues with building cladding following the Grenfell fire.
6.	Auditor Guidance Note (AGN) 03 – Auditors’ Work on Value for Money Arrangements, June 2020	NAO consultation on the detailed new guidance for auditors in relation to VFM work from the 2020/21 audit.
7.	Readying the NHS and adult social care in England for COVID-19, 12 June 2020	NAO’s second publication considering the Government response to COVID-19.
8.	Managing Private Finance Initiative (PFI) assets and services as contracts end, 5 June 2020	NAO report on managing PFI contracts.
9.	Overview of the UK government’s response to the COVID-19 pandemic, 21 May 2020	NAO’s first publication considering the Government response to COVID-19.
10.	Code of Audit Practice	New Code governing work of auditors, applying from 1 April 2020 for 2020/21 audit year and beyond.

2. SUMMARY OF NATIONAL PUBLICATIONS

	Publication/update	Key points
Public Sector Audit Appointments (PSAA)		
11.	PSAA Publishes Findings of Audit Survey, 7 May 2020	PSAA client survey. We are delighted that these results show that Mazars has performed very well in its own right, and also in comparison to the other firms in the sector.
12.	Independent analysis of the outcomes of electors' objections, 15 April 2020	Analysis of objections.
13.	News release: Q&As, 9 April 2020	PSAA seeks to answer questions raised in the 2020/21 scale fee process.
14.	2020/21 audit fee scale, 31 March 2020	Scale fees set for 2020/21 at same level as 2019/20, but PSAA indicates likely upward pressure on audit fees for both years.
15.	Independent review of the sustainability of the local government audit market, 4 March 2020	PSAA publishes an independent review.
Ministry for Housing, Communities and Local Government (MHCLG)		
16.	Comprehensive new funding package for councils to help address coronavirus pressures and cover lost income during the pandemic, 2 July 2020	Latest funding package to assist local government to deal with the impact of the pandemic.
17.	Coronavirus (COVID-19): guidance for local government, 1 July 2020	Summary of all the guidance available for local government.
18.	Local authority COVID-19 financial impact monitoring information, 21 June 2020	Summary of information gathered to assess the financial impact of the pandemic on local government.
19.	Addressing cultural and governance failings in local authorities: lessons from recent interventions, 16 June 2020	Lessons to be learned from Government intervention in local authorities.
20.	Local government procurement: fraud and corruption risk review, 8 June 2020	Local government procurement fraud and corruption risk review provides advice on how councils can strengthen their processes and implement prevention measures.
21.	Emergency funding, 30 March 2020 and 28 April 2020	Two tranches of emergency funding to support local authorities.
22.	Councils given new powers to hold public meetings remotely, 3 April 2020	Temporary powers to hold remote meetings.
23.	Coronavirus (COVID-19): letter to councils about extending the statutory audit deadlines for 2019/20, 22 April 2020	Extension of accounts and audit timetable.
Local Government Association (LGA)		
24.	Key questions and issues for finance portfolio holders during the COVID-19 pandemic, 14 May 2020	A useful paper that highlights the key financial challenges from the pandemic, and the issues for medium term financial planning.

2. NATIONAL PUBLICATIONS

1. Statement on Covid-19, Financial Reporting Council and other Regulators, March 2020

A joint statement was issued by the Financial Reporting Council, the Financial Conduct Authority and Prudential Regulation Authority in response to the current situation.

The statement sets out that:

“Successful and sustainable businesses underpin our economy and society by providing employment and creating prosperity. Equity and debt capital markets play a vital role providing finance to these businesses and will aid the recovery. Governments and regulators around the world remain focused on keeping capital markets open and orderly.

Capital markets rely on timely, accurate information. Investors and other stakeholders rely on financial reporting – backed by high-quality auditing. However, companies and their auditors currently face unprecedented challenges in preparing and auditing financial information”

This statement highlights:

- highlights likelihood of more modified opinions (where difficulties in obtaining evidence or other issues);
- going concern assumption considerations and uncertainties; and
- guidance for companies and auditors.

<https://www.fca.org.uk/news/statements/joint-statement-fca-frc-pra>

2. Financial Scrutiny Practice Guide, CIPFA (with the Centre for Public Scrutiny), 25 June 2020

CIPFA has released its guidance on Financial Scrutiny Practice, which is aimed at councils and councillors in England, and seeks to address how best to integrate an awareness of council finances with overview and scrutiny.

CIPFA reports that the impact of the pandemic means that council budgeting will need to be more focused on priorities and difficult choices for the foreseeable future. Therefore, the guide suggests ways to move budget and finance scrutiny beyond set-piece events that take place in December and quarterly financial performance reported to committees.

CIPFA also notes that effective financial scrutiny is one of the few ways that councils can assure themselves that their budget is robust, sustainable, and takes into account the needs of residents.

<https://www.cipfa.org/policy-and-guidance/reports/financial-scrutiny-practice-guide>

3. CIPFA BULLETIN 05: Closure of the 2019/20 Financial Statements, Chartered Institute of Public Finance and Accountancy, 30 April 2020

This is technical guidance for those preparing financial statements. It covers emerging or urgent accounting issues. The bulletin for the 2019/20 financial statements includes guidance on accounting for issues relating to the COVID-19 pandemic.

<https://www.cipfa.org/policy-and-guidance/cipfa-bulletins/cipfa-bulletin-05-closure-of-the-201920-financial-statements>

2. NATIONAL PUBLICATIONS

4. Guide for audit and risk committees on financial reporting and management during COVID-19, 24 June 2020

The NAO has published a Guide for audit and risk committees on financial reporting and management during COVID-19. This guide aims to help audit and risk committee members support and challenge the organisations they work with in the following areas:

- Annual reports;
- Financial reporting;
- The control environment; and
- Regularity of expenditure.

In each section of the guide the NAO has set out some questions to help audit and risk committee members understand and challenge activities. Each section can be used on its own, although the NAO would recommend that audit and risk committee members consider the whole guide, as the questions in other sections may be interrelated.

The guide may also be used as organisations and audit and risk committees consider reporting in the 2020-21 period when more specific and detailed reporting on the outbreak will be required.

<https://www.nao.org.uk/report/guidance-for-audit-and-risk-committees-on-financial-reporting-and-management-during-covid-19/>

5. Investigation into remediating dangerous cladding on high-rise buildings, 19 June 2020

The NAO has published its report on the investigation into remediating dangerous cladding on high-rise buildings.

Following the Grenfell Tower disaster, the Ministry of Housing, Communities and Local Government (MHCLG) established the Building Safety Programme to ensure that residents of high-rise residential buildings are safe and feel safe from the risk of fire. In May 2018, MHCLG announced £400 million to fund the remediation of high-rise residential buildings with unsafe Aluminium Composite Material (ACM) in the social housing sector. In May 2019, a further £200 million was made available for the remediation of equivalent buildings in the private sector.

In May 2020, the Government announced a new £1 billion building safety fund to remove dangerous cladding from high-rise buildings. This brings the total funding for remediation to £1.6 billion.

The investigation examined how MHCLG is:

- assuring itself that it has correctly identified all the buildings which fall within scope of the Programme, and that they are being fully remediated;
- managing the pace of progress of remediation; and
- deciding which buildings qualify for remediation funding, and how it has assessed risks outside the scope of the programme.

Some of the findings from the investigation include:

- as at April 2020, 149 of the 456 buildings, 18 metres and over with unsafe ACM cladding have been fully remediated;
- the pace of remediation has been faster in the student accommodation and social housing sectors, but slower in the private residential sector;
- early signs are that the effect of COVID-19, and public health measures taken to limit its impact, have slowed down the pace of remediation; and
- more than a quarter of buildings yet to be remediated are concentrated in four local authorities.

<https://www.nao.org.uk/report/investigation-into-remediating-dangerous-cladding-from-high-rise-buildings/>

2. NATIONAL PUBLICATIONS

6. Auditor Guidance Note (AGN) 03 – Auditors' Work on Value for Money Arrangements, June 2020

The new Code of Audit Practice came into force on 1 April 2020, after being approved by Parliament. It was developed following a consultation process in 2019. The most significant changes to the new Code are in relation to auditors' work on value for money arrangements. NAO have decided to consult on the detailed statutory guidance that will support auditors to deliver work under the new Code.

NAO have now published its consultation seeking views on the draft 'Auditor Guidance Note (AGN) 03 – Auditors' Work on Value for Money Arrangements'. The consultation is open for a period of 12 weeks, with a closing date of 5pm on 2 September 2020.

<https://www.nao.org.uk/code-audit-practice/agn-03-vfm-consultation/>

7. Readyng the NHS and adult social care in England for COVID-19, 12 June 2020

The NAO published its report Readyng the NHS and adult social care in England for COVID-19 in June 2020.

This report is the second in a programme of work by the NAO to support Parliament's scrutiny of the UK government's response to COVID-19. It sets out the facts about government's progress in preparing the NHS and social care for the COVID-19 outbreak, with a focus on:

- actions set out in the 17 March letter to the NHS, and the 15 April action plan for adult social care. It also describes what is currently known about additional funding for health and adult social care;
- actions taken at a national level by those responsible for coordinating health, adult social care and local government in England; and
- the period from the start of the outbreak to at least the end of April, when the government announced that the UK was "past the peak". Depending on the data available at the time of writing, the NAO has provided information up to mid-May.

The report does not assess the value for money of the measures adopted by government or the effectiveness of its response. It uses a range of published and unpublished data, the latter requested from public bodies under the NAO's statutory audit powers.

<https://www.nao.org.uk/report/readying-the-nhs-and-adult-social-care-in-england-for-covid-19/>

8. Managing Private Finance Initiative (PFI) assets and services as contracts end, 5 June 2020

The NAO has published its report on Managing PFI assets and services as contracts end.

The report considers whether the government is making appropriate preparations to manage the expiry of PFI contracts. The report notes that there are currently 700 operational PFI contracts in the UK with a capital value of £57 billion. However, the study focuses on the 571 PFI contracts in England, excluding those for which responsibility lies with the devolved governments.

The report draws out the challenges and best practice that can most benefit those managing PFI contracts which are ending. Note that the report does not assess the potential impacts of the COVID-19 pandemic on the expiry of PFI contracts, as the fieldwork was conducted before the outbreak.

<https://www.nao.org.uk/report/managing-pfi-assets-and-services-as-contracts-end/>

2. NATIONAL PUBLICATIONS

9. Overview of the UK government's response to the COVID-19 pandemic, *National Audit Office*, 21 May 2020

Significant outbreaks of disease are among the greatest risks faced by any society, threatening lives and causing significant disruption to public services and the economy. The scale and nature of the current COVID-19 pandemic and government's response is unprecedented in recent history.

This report is the first of a programme of work to be undertaken by the National Audit Office (NAO) to support Parliament in its scrutiny of the UK government's response to COVID-19.

<https://www.nao.org.uk/report/summary-of-uk-governments-response-to-the-covid-19-pandemic/>

10. Code of Audit Practice, *National Audit Office*, March 2020

The Code of Audit Practice sets out what local auditors of relevant local public bodies are required to do to fulfil their statutory responsibilities under the Local Audit and Accountability Act 2014. 'Relevant authorities' are set out in Schedule 2 of the Act and include local councils, fire authorities, police and NHS bodies. Schedule 6 of the Act extends this requirement to include NHS Foundation Trusts.

Local auditors must comply with the Code of Audit Practice. The Code must be reviewed at least every five years, so the Code that applies will depend on the financial year being audited.

The final draft of the latest Code has now been approved by Parliament and will come into force on 1 April 2020. The new Code will apply from audits of local bodies' 2020-21 financial statements onwards. The NAO is now developing the detailed statutory Auditor Guidance Notes (AGNs) that will support the new Code. The most significant changes will be made to the guidance on auditor's work on arrangements to secure value for money (AGN 03) and auditor reporting (AGN 07). NAO plan to engage with stakeholders to develop this guidance over the coming months and will consult publicly in the summer/autumn of 2020.

We will brief the Committee on changes as more guidance emerges over the year. Key messages from the new Code are summarised below:

Audit of the financial statements

Auditors must still comply with underlying auditing standards.

Value for money arrangements

- Removal of 'except for' and 'adverse' conclusions.
- Work based around 3 reporting criteria:
 - Financial sustainability
 - Governance
 - Improving the 3Es – economy, efficiency and effectiveness
- Auditors must report when they are not satisfied that arrangements are in place. Where weaknesses are identified, recommendations are expected at any time of the audit.

Auditor reporting

- Auditor's Annual Report introduced:
 - Replaces Annual Audit Letter
 - Includes enhanced commentary against each of the specified VFM reporting criteria
 - To be issued in line with the audit report on the financial statements

<https://www.nao.org.uk/code-audit-practice/code-of-audit-practice-consultation/>

2. NATIONAL PUBLICATIONS

11. PSAA Publishes Findings of Audit Survey, *Public Sector Audit Appointments*, 7 May 2020

PSAA has published the findings of a survey of audited bodies' feedback on their audits of 2018/19 accounts.

In the past, surveys have been undertaken by the audit firms themselves and have sought the responses of client Chief Finance Officers (CFOs) to a relatively small number of high level questions.

This year, coinciding with the first audits under Appointing Person arrangements, PSAA has introduced a new approach which incorporates a number of important changes.

To assure independence and confidentiality, it has commissioned the LGA's Research & Information team to administer the survey centrally. The views of both CFOs and Audit Committee Chairs have been sought recognising the importance of the auditor's relationships with both Management and Those Charged With Governance. A longer list of survey questions has also been developed to probe more deeply into respondents' experience of different aspects of the audit and the auditor's performance.

PSAA hopes that audited bodies will find the survey results interesting and helpful in terms of stimulating discussion about their audit, identifying areas in which it went well or might have been improved. PSAA is encouraged by the volume of data which its new survey has generated and the opportunity it provides to identify good practice and/or discuss specific areas for improvement with individual audit firms.

We are delighted that these results show that Mazars has performed very well in its own right, and also in comparison to the other firms in the sector.

<https://www.psa.co.uk/2020/05/psaa-publishes-findings-of-audit-survey/>

12. Independent analysis of the outcomes of electors' objections, *Public Sector Audit Appointments*, 15 April 2020

A unique element of the local government accountability framework is the long-held rights of local electors to inspect accounts and related documents, and to object to auditors about issues of concern. In recent times electors have been able to access far more data and information than when the right to object was originally enacted, because of developments such as transparency reporting and the Freedom of Information Act.

Publicly available information about objections and their outcomes is limited. The work on them is often mainly confidential correspondence between the auditor, the objector and the local body with the outcome reported to the local body. Although the auditor's decision and detailed statement of reasons is sometimes reported in the public domain, this is not always the case. To help address that gap PSAA has commissioned an independent analysis of the outcomes of objections.

<https://www.psa.co.uk/2020/04/news-item-independent-analysis-of-the-outcomes-of-electors-objections/>

13. News release: Q&As, *Public Sector Audit Appointments*, 9 April 2020

PSAA consulted on the 2020/21 scale fees earlier this year and published the 2020/21 scale fees on 31 March 2020. Not surprisingly in these turbulent times for audit the consultation responses contained many questions. Today PSAA have published a 'Q&A', setting out our answers to them.

<https://www.psa.co.uk/2020/04/news-release-qas/>

2. NATIONAL PUBLICATIONS

14. 2020/21 audit fee scale, *Public Sector Audit Appointments*, 31 March 2020

The consultation set out the proposed scale of fees for the work to be undertaken by appointed auditors in respect of the 2020/21 financial statements at bodies that have opted into PSAA's national auditor appointment scheme. Setting the fee scale for audits of 2020/21 financial statements is challenging. It requires consideration and assessment of the impact of a range of factors, many of which are difficult to quantify at this stage. They include:

- issues which have given rise to additional audit work in relation to the 2018/19 accounts, or are expected to arise and have implications for 2019/20 accounts' audits, and which may or may not have ongoing implications for subsequent years;
- new auditing standards and regulatory requirements, including any decisions taken by Government in response to the reviews being undertaken and referred to in this progress report (see item 7 above); and
- the introduction of the new NAO Code of Audit Practice and related AGNs, the implementation of which may have one-off and/or ongoing implications for the extent of auditors' work.

In PSAA's view, discussions about the impact of the factors outlined needs to take place at local body level between the appointed auditor and an authorised representative of the audited body, such as the chief finance officer. This is the level at which each factor or variable can be considered in the distinctive context of the particular body, having regard to any implications for audit risk and the extent of any additional audit work which may be required to enable an appropriate level of assurance.

The expectation is that such discussions should take place as soon as possible as part of planning discussions for 2019/20 audits, with a specific aim also to look ahead to identify any implications for 2020/21. In some cases it may not be possible to quantify the implications for audit work at this stage or perhaps even until the work is done. Nevertheless early discussions will help to align expectations and mitigate the risk of audited bodies being unaware of the prospect of charges for additional work until very late in the audit process.

Link to the PSAA consultation is set out below:

<https://www.psa.co.uk/audit-fees/consultation-on-2020-21-audit-fee-scale/>

PSAA published its scale fees for 2020/21 on 31 March 2021, and concluded that:

"In current circumstances we do not have sufficient reliable information that would enable us to adjust the scale of fees for 2020/21, and so have maintained the scale fee at the level set for 2019/20 before audit work had started. In practice we recognise that in the event, with so much turbulence and change in the environment, additional fees variations are likely to arise for many bodies."

<https://www.psa.co.uk/audit-fees/2020-21-audit-fee-scale/>

15. Independent review of the sustainability of the local government audit market, *Public Sector Audit Appointments*, 4 March 2020

PSAA has recently commissioned an independent review of the sustainability of the local government audit market. The review was undertaken by an independent consultancy, Touchstone Renard (TR).

The TR report draws on the views of audit firms active in the local authority market as well as others that are not. In doing so it identifies a number of distinctive challenges in the current local audit market. In particular it highlights the unprecedented scrutiny and significant regulatory pressure on the auditing profession; the challenges of a demanding timetable which expects publication of audited accounts by 31st July each year; and the impact of austerity on local public bodies and its effect on both the complexity of the issues auditors face and the capacity of local finance teams.

<https://www.psa.co.uk/2020/03/news-item-independent-review-of-the-sustainability-of-the-local-government-audit-market/>

2. NATIONAL PUBLICATIONS

16. Comprehensive new funding package for councils to help address coronavirus pressures and cover lost income during the pandemic, 2 July 2020

On 2 July 2020, Government announced a major new support package to help councils respond to coronavirus as part of comprehensive plan to ensure councils' financial sustainability for the future.

Key features of the new package include:

- Government announces new comprehensive package of support to address spending pressures and in recognition of lost income;
- Further £500 million brings funding given to support local councils with pressures to £4.3 billion, part of a package of over £27 billion to help councils, businesses and communities; and
- New scheme will also reimburse councils for lost income and allow council and business rates tax deficits to be repaid over 3 years instead of one.

The announcement included statements that:

Recognising that councils are best placed to decide how to meet pressures in their local area, this funding has not been ringfenced.

In addition to this funding, a major new scheme introduced by the government today will help to reimburse lost income during the pandemic and boost cash flow. Where losses are more than 5% of a council's planned income from sales, fees and charges, the government will cover them for 75p in every pound lost.

Additionally, to enable them to get on the front foot and build much-needed breathing space into their budgets, the government is also bringing in changes so that they can spread their tax deficits over 3 years rather than the usual one.

Overall, in the last 6 months, government has worked closely with local authorities to understand their needs and provided more than £27 billion to help councils, businesses and communities through COVID-19.

At the time of writing, further detail is awaited in relation to this announcement.

https://www.gov.uk/government/news/comprehensive-new-funding-package-for-councils-to-help-address-coronavirus_pressures-and-cover-lost-income-during-the-pandemic

17. Coronavirus (COVID-19): guidance for local government, 1 July 2020

There is a wide range of Government Guidance that relates to local councils during the coronavirus (COVID-19) outbreak. MHCLG provides a comprehensive list of all guidance and keeps this updated at the attached link.

<https://www.gov.uk/guidance/coronavirus-covid-19-guidance-for-local-government>

2. NATIONAL PUBLICATIONS

18. Local authority COVID-19 financial impact monitoring information, 21 June 2020

MHCLG is collecting data on the impact COVID-19 is having on local authority finances.

The purpose of the data collection is to help provide the government with information on the financial pressures experienced by local authorities as a result of the pandemic. The data collection, which is aimed at Finance Directors in 339 local authorities, is based on best estimates. Fire and rescue authorities and combined authorities are not included in the survey.

Information from local authorities were collected in mid-April and mid-May, and MHCLG plans to run the data collection on a regular basis, as the government continues its response to the pandemic. The data collected so far shows that the combined spending and income pressure at the end of May was £3.24 billion.

The detailed monitoring information (presented in excel format) is available here.

<https://www.gov.uk/government/publications/local-authority-covid-19-financial-impact-monitoring-information>

19. Addressing cultural and governance failings in local authorities: lessons from recent interventions, 16 June 2020

MHCLG reports that based on its experience of supporting, and sometimes intervening in local authorities (LAs) experiencing difficulties, culture and governance at LAs are key to their success or failure. To support LAs in these areas, MHCLG has published a short guide which considers the lessons about LA culture and governance that can be learned from recent statutory and non-statutory interventions.

The key areas covered by the guide include:

- recognising indicators of poor culture and weak governance;
- addressing ineffective leadership (corporate and political);
- addressing poor behaviour across an authority; and
- strengthening scrutiny, transparency and whistle-blowing support.

<https://www.gov.uk/government/publications/addressing-cultural-and-governance-failings-in-local-authorities-lessons-from-recent-interventions/addressing-cultural-and-governance-failings-in-local-authorities-lessons-from-recent-interventions>

20. Local government procurement: fraud and corruption risk review, 8 June 2020

The government has published the findings from its review of fraud and corruption risks in local government procurement.

The review report focuses on the risks of fraud and corruption when councils procure and commission goods, works and services. The report notes that the effective management of risk in procurement is part of ensuring a well-led and risk-aware council, that manages its resources efficiently to secure value for money outcomes.

The report includes:

- case studies highlighting where fraud and corruption incidents have occurred;
- best practice examples for mitigating fraud and corruption risks; and
- suggested activities to improve the response to fraud and corruption risks in local government.

<https://www.gov.uk/government/publications/local-government-procurement-fraud-and-corruption-risk-review>

2. NATIONAL PUBLICATIONS

21. Emergency funding, *Ministry for Housing, Communities and Local Government*, 30 March 2020 and 28 April 2020

On 19 March 2020, the [government announced](#) £1.6 billion of additional funding for local government to help them respond to coronavirus (COVID-19) pressures across all the services they deliver.

A further £1.6 billion in additional funding was [announced](#) on 18 April 2020. This extra £1.6 billion takes the total given to councils to help their communities through this crisis to over £3.2 billion.

This document sets out the allocations for local authorities. Derbyshire Dales District Council received a total of £744k from the two tranches.

<https://www.gov.uk/government/publications/covid-19-emergency-funding-for-local-government>

22. Councils given new powers to hold public meetings remotely, *Ministry for Housing, Communities and Local Government*, 3 April 2020

The government has temporarily removed the legal requirement for local authorities to hold public meetings in person during the coronavirus pandemic. This will enable authorities to make effective and transparent decisions on the delivery of services for residents and ensure that local democracy continues to thrive.

<https://www.gov.uk/government/news/councils-given-new-powers-to-hold-public-meetings-remotely>

23. Coronavirus (COVID-19): letter to councils about extending the statutory audit deadlines for 2019 to 2020, *Ministry for Housing, Communities and Local Government*, 22 April 2020

Letter from the Ministry of Housing, Communities and Local Government informing local authority chief executives that:

- the publication date for final, audited, accounts will move from 31 July for Category 1 authorities and 30 September for Category 2 authorities to 30 November 2020 for all local authority bodies
- to give local authorities more flexibility, the requirement for the public inspection period to include the first 10 working days of June (for Category 1 authorities) and July (for Category 2 authorities) has been removed. Instead local authorities must commence the public inspection period on or before the first working day of September 2020.

<https://www.gov.uk/government/publications/coronavirus-covid-19-letter-to-councils-about-extending-the-statutory-audit-deadlines-for-2019-to-2020>

24. Key questions and issues for finance portfolio holders during the COVID-19 pandemic, *Local Government Association*, 14 May 2020

The ongoing COVID-19 pandemic has already had a significant impact on local council finances, the effects of which will continue through the current period of lockdown and beyond. This paper seeks to outline and discuss key strategic issues that elected members, particularly those in finance and wider leadership positions, should consider.

<https://www.local.gov.uk/key-questions-and-issues-finance-portfolio-holders-during-covid-19-pandemic>

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GOVERNANCE AND RESOURCES COMMITTEE
20 AUGUST 2020

Report of the Director of Corporate and Community Services

MEMBER DEVELOPMENT WORKING GROUP

PURPOSE OF THE REPORT

To consider approval of a work plan for the Member Development Working Group and provide an update on the work of the group during the 2019/20 Civic Year

RECOMMENDATION

1. That the plan for work to be undertaken by the Member Development Working Group during 2020/21 be approved.
2. That the draft training plan for 2020/21 be approved.
3. That mandatory training for Planning and Ethics, Licensing and data protection be completed by 31 December 2020 by all relevant members

WARDS AFFECTED

Not applicable

STRATEGIC LINK

Training and Development for elected Members helps to support their role as Community Leaders and has a direct impact on the District Council's reputation and perception of its Corporate Vision and Plan.

1 BACKGROUND

The Member Development Working Group's Terms of Reference are as follows.

The role of the Member Development Working Group is to report to the Governance and Resources Committee on measures to:

- Evaluate recent training and identify any gaps in learning
- Plan a Training and Development programme for forthcoming year
- Review format and accessibility of training given diversity of current membership
- Consider a competency framework as an induction tool to plan a tailored approach to training
- Input into matters from a Councillors perspective – what does it feel like to be a Derbyshire Dales Councillor from a general and equal opportunity perspective?
- Review role profiles

- Assist Groups with potential succession planning
- Review the current Member Development Scheme
 - Review mandatory training requirements and frequency
 - Consider re-introduction of annual development discussions either within Groups or by the Development Group to enable individuals to reach their potential and ambition
 - Consider buddying/mentoring scheme

In doing so all Members of Member Development Working Group will commit to:-

- Sharing ideas, information and knowledge
- Open and honest discussion where all participants are treated with dignity and respect

The Group is comprised as follows:

Councillors Jason Atkin (Chair), Helen Froggatt (Vice Chair), Jacqueline Allison, Steve Flitter, Alyson Hill, David Hughes, Stuart Lees, Peter O'Brien

The group's activity in the past year has been curtailed by the Covid-19 situation but it met on 30 June to:

- Formulate a draft work plan for 2020/21 based on the revised terms of reference agreed by this Committee on 12 March 2020.
- Consider urgent training requirements
- Consider other strands of work that the group may want to pursue.

The Group met again on 23 July to:

- Finalise its draft work plan
- Approve the draft training plan
- Consider feedback from induction training provided in 2019
- Consider the provision of Mental Health Workshops for Members
- Approve an outline for a Quick Guide to Meetings

2 DRAFT WORK PLAN

The Group has prepared a work plan for 2020/2021 (Appendix 1) based on its Terms of Reference. Tasks were identified and prioritised, with the production of a Training Plan (Appendix 2 – some dates to be confirmed) being the most pressing concern.

3 DRAFT TRAINING PLAN

Mandatory Training

All Councillors are required to undergo mandatory training in

- Planning and Ethics
- Licensing and Appeals (Committee Members only)
- RIPA
- Safeguarding

- Equality and Diversity
- Data Protection

With regard to Planning and Ethics, Licensing and Appeals and Data Protection the Member Development Working Group recommends that a deadline of 31 December 2020 is set for completion by all Members. Any Member who does not complete the necessary training by the deadline will not be eligible to sit on the Planning Committee or a Licensing Hearing Panel.

The Group also felt that it would be useful, if practicable, to record the live Zoom training sessions so that Members could review them at their leisure. This would not negate the need to attend live sessions of mandatory training.

Non Mandatory Training

Some training is not mandatory but the Member Development Working Group strongly urges Members to attend as many sessions as they can.

One addition to the programme is Mental Health Workshops for Members. These will be presented online, ideally to small groups, by Dave Turvey, Deborah Unwin and Becky Bryan or James Cole.

The workshops will cover the basics around what is mental health, how to recognise symptoms in yourself, how to support others and initiate conversations with people. They will highlight what services are available to members and will cover healthy lifestyle and the benefit of this in terms of mental health.

If there is enough interest Dave Turvey has indicated that he is willing to run an official course for Members who wish to learn more about this topic.

Going forward the Group will monitor the need for topic based training/workshops that reflect the current priorities of the Council. One such item suggested by the Group was for a session on “What makes a good Local Plan” to be delivered prior to the start of the Local Plan process.

Delivery of Training

Training will need to be delivered remotely and the Group welcomed this opportunity to evaluate the methods used and the feedback from Members as, later in its work plan, it plans to investigate the feasibility of delivering a wider range of training in a way that can be accessed remotely to suit the needs and lifestyle of individual Members.

The Group has also evaluated the generic online training provided by the Local Government Association. This covers a large range of topics relevant to Members and is available in the form of online courses which can be accessed at a convenient time. It was felt that whilst this could provide useful reinforcement it was too generic to replace any of the in house training offered.

Survey of Members based on LGA Political Skills Framework

The LGA has identified six key skills for an effective Councillor, which are:

- Local leadership

- Partnership working
- Communication skills
- Political understanding
- Scrutiny and challenge
- Regulating and monitoring

They have also developed a toolkit, primarily designed for self-reflective learning, but which could be adapted into a survey of Members to indicate the area in which additional training may be useful.

Comments from Members on their experience of the Induction Training 2019

Members were invited to comment on their experience of the 2019 Induction Training and the following responses were received.

- *“When we met up the first time on induction day it was nice to get to know the roles of the corporate leaders team.*
- *I would say that having training on how meetings are run and how to put motions to council are offered before anyone sits for any meetings, this could be done by having a mock meeting.”*
- *“The training was great. It gave me a much greater appreciation how the council worked. I would have liked more on licensing, more on enforcement, more on how responsibility is devolved. But overall I found it invaluable.”*
- *“This was my second term as Councillor but still found it a very interesting and informative session. I cannot pick out a particular issue but found it helpful as a whole.”*
- *Although a while back now, I do recall how useful the whole of the induction programme was. I did attend all the sessions and found value in the face to face delivery and information sessions. G and R holds a wide remit and there was a lot to learn. The training from memory was full, but, structured. The opportunity for Q and A was also offered. A well worthwhile use of everyone’s time and energies.*
- *Most of the training was beneficial. The Planning and Licensing was very useful, but the Licensing facilitator ran out of time and could have done with longer. The Commercialism training was a total waste of time and even the facilitator was warning to be very cautious before engaging in such practices. I believe there needs to be more input about the rules at council meetings, motions, etiquette, challenge etc*

4 OTHER WORK IN THE PROGRAMME

The Member Development Group’s work plan will remain fluid to enable the group to respond, so far as practicable, to events and the needs and wishes of Members.

One other strand of work that has been identified is the production of a Quick Guide to Meetings that brings together the rights and rules that apply to Members at a meeting of Council or one of its Committees.

Another, more long term aims are to look into the possibility of Members shadowing Officers for a short time to become more familiar with the delivery of services on the ground.

The Group is intended to be Member led and non-members are strongly encouraged to contact one of the group if they feel that there is something lacking in the training provided or they have ideas for other training/development that could be incorporated in future programmes.

5 RISK ASSESSMENT

5.1 Legal

There are no legal risks arising directly from the report. An effective training and development plan helps to prepare Members to make an informed and balanced decision which helps to mitigate legal risk in the round.

5.2 Financial

The training and development set out in this report can be provided within the existing revenue budget. The financial risk is, therefore, assessed as low.

6 OTHER CONSIDERATIONS

In preparing this report the relevance of the following factors has also been considered: prevention of crime and disorder, equality of opportunity, environmental, health, legal and human rights, financial, personnel and property considerations.

7 CONTACT INFORMATION

Christine Laver, Democratic and Electoral Services Manager
chris.laver@derbyshiredales.gov.uk

Councillor Jason Atkin, Chairman of the Member Development Working Group
jason.atkin@derbyshiredales.gov.uk

8 BACKGROUND INFORMATION

None

9 ATTACHMENTS

Appendix 1 – Member Development Group Work Plan 2020/21
Appendix 2 – Draft Member Training Plan 2020/21

MEMBER DEVELOPMENT WORKING GROUP WORKPLAN 2020/21

Task	Reason	Priority	Target Date	Completed?
Evaluate feedback from 2019 induction	To help identify any gaps in provision or other issues that need to be addressed	High	21 July 2020	Yes
Member Training Plan for 2020/21 Civic Year	To plan a programme of training that meets mandatory requirements and, where possible, accommodates other training needs identified by the Group	High	20 August 2020	In progress
Consider alternative means of delivering training during the Covid 19 pandemic and beyond	The group want to explore alternative means of delivering training, including LGA online provision, particularly online offerings which would offer Members the opportunity to do the training in their own time and at their own pace	Medium	Assume that this will be the means of delivery this year but look at options going forward to next year and beyond	Recommend on line training for current programme and will review with regard to future.
Survey members based on the LGA competency framework	To identify areas of development that require further consideration.	Medium	Spring 2021	
Produce a Meetings Quick Guide	To provide a quick reference for Members in relation to the rules of debate contained in the Constitution	Medium	October 2020	
Shadowing scheme	Develop scheme to enable members who wish to do so to shadow officers for a short period to better understand how services are delivered.	Medium / long – dependent on relaxing of current social distancing rules	When feasible	

MEMBERS TRAINING AND DEVELOPMENT PROGRAMME 2020

EVENT/DATE	TIME	CONTENT	INTENDED AUDIENCE	PRESENTED BY
Planning and Ethics	14 September at 4pm OR 24 September at 6pm	All Members are required to attend Planning Training on an Annual Basis – in addition to the value of an annual refresher from an individual point of view this is to ensure that, if a decision or process were to be challenged, the Council could demonstrate that all concerned had undergone up to date training. The ethics element will update Members on the requirements of the Code of Conduct, including pecuniary interests and the difference between predisposition and predetermination.	Attendance at one session is Mandatory for All Councillors	Jon Bradbury and James McLaughlin
Licensing & Appeals Committee	29 September at 4pm OR 30 September at 6pm	To enable Councillors to have an understanding of the following: <ul style="list-style-type: none"> • The background to licensing legislation relating, in particular to alcohol, entertainment & late night refreshment; gambling; taxis and animal welfare. • The principles of robust decision making, legal context and sound reasoning. • The roles and responsibilities of the Legal Advisor and the Licensing Officer. 	Mandatory for ALL Members of the Committee	Lee Gardner and Eileen Tierney
Current Issues	To be arranged	Workshops for Members on current issues to be arranged as and when required. MDWG has suggested that the impact of the Covid 19 emergency on the Council's finances and future plans may be an appropriate subject for a workshop as would "What makes a good Local Plan"	All Councillors	Corporate Leadership Team
Finance	Need for finance training on general or specific issues, in addition to proposed Member Workshop to be confirmed by KH	To provide Councillors with information on the following topics: <ul style="list-style-type: none"> • An overview of the Council's finances (including the difference between revenue and capital expenditure, sources of funding and the Medium Term Financial Strategy) • Collecting Council Tax, Business Rates and Sundry Debts • Housing Benefits • Effective scrutiny. 	All Councillors	Karen Henriksen
Data Protection	Dates to be confirmed	The Information Commissioners Office expect the Council to train all members and employees on data protection if there was a data breach involving a member, and it became apparent that appropriate training had not been provided there is a high risk that the Council could be sanctioned which could take the form of a significant fine	Mandatory for All Councillors	Karen Henriksen and Dawn Webster
Regulation of Investigatory Powers Act (RIPA) Training	3 November at 4pm OR 12 November at 6pm	Lee Gardner to tender for outside provider – dates provisional on outcome of that.	Mandatory to satisfy requirements of Inspector	TBA

EVENT/DATE	TIME	CONTENT	INTENDED AUDIENCE	PRESENTED BY
Equalities and Diversity – Core Training	11 November at 4pm OR 16 November at 4pm OR 24 November at 6pm	A tender is being prepared for an outside trainer to deliver this training dates are subject to trainer availability so may change.	Mandatory for All Councillors	To be agreed
Safeguarding	1 October at 4pm OR 18 November at 6pm – to be confirmed	Subject to To help Members find out about their obligations as follows: <ul style="list-style-type: none"> • What is Safeguarding? • Identifying the various types of abuse • The District Council’s role • Partners and the public roles in Safeguarding • What to do if you suspect someone is at risk 	Mandatory for all Councillors	Ash Watts
Mental Health Awareness for Members	16 September 4.00pm Repeated 22 September 6.00pm	Dave Turvey will cover the basics around what is mental health, how to recognise symptoms in yourself, how to support others and initiate conversations with people. Deborah Unwin will go through what services are available to members Becky Bryan will cover healthy lifestyle and the benefit of this towards mental health. If there is enough interest Dave Turvey is willing to run an official course for Members who wish to learn more about this topic.	All Councillors	Dave Turvey Deborah Unwin Becky Bryan



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JOINT CONSULTATIVE GROUP

Minutes of a Meeting held on Wednesday, 29 January 2020 in the Council Chamber, Town Hall, Matlock at 2.30pm

PRESENT Councillor Gary Purdy, in the Chair
 Councillors Neil Buttle, Tom Donnelly, Steve Flitter
 Representing UNISON – Denise Dawson, Keith Postlethwaite and Ashley Watts
 Representing GMB – Jon Bradbury
 Paul Wilson (Chief Executive), Sandra Lamb (Head of Corporate Services and Monitoring Officer, Deborah Unwin (Human Resources Officer), Simon Johnson (Democratic Services Officer) and Angela Gratton (Democratic Services Officer)

APOLOGIES

Apologies for absence were received from Councillor Eliza McDonagh, Ian Buxton (GMB), Mick Coppin (GMB)

ELECTION OF CHAIRMAN FOR 2018/2019

It was moved by Councillor Tom Donnelly, seconded by Councillor Steve Flitter and

AGREED That Councillor Gary Purdy be elected Chairman of the Joint
 (Unanimously) Consultative Group until the next annual meeting of the Council.

APPOINTMENT OF VICE CHAIRMAN FOR 2018/19

It was moved by Jon Bradbury, seconded by Councillor Tom Donnelly and

AGREED That Ashley Watts be appointed Vice-Chairman of the Joint
 (Unanimously) Consultative Group until the next annual meeting of the Council.

MINUTES

Councillor Steve Flitter asked it be noted that he was on holiday for the 15 October 19 meeting and submitted his apologies.

It was moved by Councillor Tom Donnelly, seconded unanimously.

AGREED That the minutes of the meeting of the Joint Consultative Group held
(Unanimously) on 15 October 19 be approved as a correct record.

EMPLOYEE CODE OF CONDUCT

The Committee considered a report on changes to the current Code of Conduct for Employees. On the issue of whether or not to require the registration of gifts and hospitality offered and declined, the Monitoring Officer's view is that the public's confidence is considered to be most strongly supported by a Code which does not allow the acceptance of any gifts or hospitality, save for specified exceptions. The current requirements in the Code with regard to gifts and hospitality are clear and do not require amendment. In terms of whether to amend the Code to require a declaration of a gift or hospitality being declined, the Monitoring Officer cannot support this as a principle which can be easily investigated and the time taken would not be proportionate as no 'breach' of the Code will have occurred.

It was moved by Councillor Gary Purdy, seconded Councillor Steve Flitter

AGREED That the Governance & Resources Committee be recommended to
(Unanimously) adopt the Revised Employee Code of Conduct (attached).

RENUMERATION FOR EMERGENCY WORKING

The Committee considered making a recommendation to Governance and Resources Committee that a local agreement as a departure from the Local Government Terms and Conditions of Employment (the "Green Book") with regard to remuneration for work during a formally declared Major Incident or Emergency situation be adopted.

Remuneration Extract from the report:

2.4 *At their meeting on 14 January, Corporate Leadership Team reflected on the situation. They felt that remuneration in emergencies should be agreed and clear as follows*

- I. The relevant Head of Service leading the District Councils tactical response in a declared emergency situation would confirm the emergency situation to relevant staff.*
- II. Knowing the resources (staff and equipment) available, the Head of Community & Environmental Services would coordinate staff with specialist skills (driving with trailers, manual handling, driving off road vehicles) to respond during the declared emergency.*
- III. The Head of Community & Environmental Services would then authorise payment at the employee's own grade for working on the emergency at time and a half for all hours worked in excess of 37 hours in the week of the emergency irrespective of the grade of the employee (Grades 2-13).*
- IV. Heads of Service would not receive any additional payment or time off in lieu but the Chief Executive may consider an honoraria.*

- V. *If volunteers are sought for roles not requiring specialist skills above e.g. door knocking to offer residents support, then all volunteers (irrespective of their grade) will be given time off in lieu at plain time for hours worked.*

2.5 *Item iii) above requires a local agreement with the Unison and GMB representatives as the Local Government Terms and Conditions of Employment (the "Green Book") state that over time is not paid to posts above scale point 22. This would remain with the exception, by local agreement, in a formally declared emergency*

Ashley Watts, Head of Community and Environmental Service supported the proposal and put on record his thanks to all the Staff who turned out for the flooding

Councillor Flitter gave thanks to all the flood emergency staff Town, District and County and praised their working together as a team, this was reiterated by Paul Wilson, Chief Executive.

It was moved by Councillor Gary Purdy seconded Councillor Steve Flitter and

AGREED (Unanimously)	That the Governance and Resources Committee be recommended to agree to a local agreement regarding remuneration for work during a formally declared Major Incident or Emergency situation.
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EMPLOYEE GROUP – NOTES OF THE MEETINGS HELD ON:

- 18 September 2019

It was moved by Councillor Gary Purdy seconded unanimously and

AGREED That the notes of the Employee Group meetings held on 15
(Unanimously) October 2019 be received.

SAFETY COMMITTEE – NOTES OF MEETINGS HELD ON:

- 02 October 2019
- 08 JANUARY 2019

It was moved by Councillor Gary Purdy, seconded unanimously and

AGREED That the notes of the Safety Committee meetings held on 02 October
(Unanimously) 2019 and 08 January 2020 be received.

Meeting Closed 3.03 pm

Chairman