



Scan code to view reports

Wednesday, 7 February 2024

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, 15 February 2024 at 6.00 pm** in the **Council Chamber, Town Hall, Matlock, DE4 3NN**

Yours sincerely,

Helen Mitchell  
Director of Corporate and Customer Services

This information is available free of charge in electronic, audio, Braille and large print versions, on request.

For assistance in understanding or reading this document or specific information about this Agenda or on the "Public Participation" initiative please call the Committee Team on 01629 761133 or email [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk)

## AGENDA

### 1. APOLOGIES FOR ABSENCE

Please advise the Democratic Services Team on 01629 761133 or email [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk) of any apologies for absence.

### 2. APPROVAL OF MINUTES OF PREVIOUS MEETING (Pages 5 - 10)

02 November 2023

### 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 email) **BY NO LATER THAN**

**12 NOON OF THE WORKING DAY PRECEDING THE MEETING.** As per Procedural Rule 14.4 at any one meeting no person may submit more than 3 questions and no more than 1 such question may be asked on behalf of one organisation.

#### **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 the time.

#### **5. QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15**

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

#### **6. TREASURY MANAGEMENT MID-YEAR REPORT 2023/24 (Pages 11 - 26)**

This report summarises treasury management activities for the first six months of 2023/24 and seeks approval for the Treasury Management Mid-Year report for 2023/24.

#### **7. FEES AND CHARGES FOR 2024/25 (Pages 27 - 98)**

This report seeks approval for proposed fees and charges for 2024/25 in respect of Community and Environmental Services, Corporate and Customer Services and Regulatory Services.

#### **8. EXTERNAL AUDITOR'S COMPLETION REPORT AND ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (Pages 99 - 174)**

These reports summarise work undertaken and the key findings arising from the external auditor's work in relation to the Authority's financial statements for 2022/23.

#### **9. LETTER OF REPRESENTATION 2022/23 (Pages 175 - 184)**

This report requests that Members consider and endorse the draft Letter of Representation as part of their responsibility for approving the financial statements for 2022/23.

#### **10. STATEMENT OF ACCOUNTS FOR 2022/23 (Pages 185 - 320)**

This report provides interpretation of the Statement of Accounts for 2022/22 and highlights the key issues. The report also requests approval of the Statement of Accounts for 2022/23.

#### **11. DERBYSHIRE DALES CORPORATE PLAN: WORKING GROUPS (Pages 321 - 328)**

The report updates Members on progress made by Corporate Plan Working Group, established by Council on 14 December 2023, which is under the remit of this committee.

## **12. COMPLAINT AGAINST THE DISTRICT COUNCIL, LESSONS LEARNED AND MOVING FORWARD (Pages 329 - 416)**

This report details the summary findings and wider organisational learnings following a complaint submitted to the Council in September 2023 which was shared with all 34 Members of the District Council.

## **13. REVIEW OF THE WHISTLEBLOWING POLICY (Pages 417 - 432)**

This report provides an overview of the proposed implementation of a revised Whistleblowing Policy and seeks approval and adoption of the revised policy.

Members of the Committee - Councillors Nick Wilton (Chair), Neil Buttle (Vice-Chair), Geoff Bond, Steve Flitter, David Hughes, Stuart Lees, Lucy Peacock, Simon Ripton and Roger Shelley

Substitutes – Councillors David Chapman, Marilyn Franks, Joanne Linthwaite, Laura Mellstrom and Andy Nash

### **NOTE**

For further information about this Agenda or on “Public Participation” call 01629 761133 or email [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk)

This page is intentionally left blank



This information is available free of charge in electronic, audio, Braille and large print versions, on request.

For assistance in understanding or reading this document or specific information about this Agenda or on the “Public Participation” initiative please call the Committee Team on 01629 761133 or email

[committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk)

## **Governance & Resources Committee**

**Minutes of a Governance & Resources Committee meeting held at 6.00 pm on Thursday, 2nd November, 2023 in the Council Chamber, Town Hall, Matlock, DE4 3NN.**

### **PRESENT**

Councillor Nick Wilton - In the Chair

Councillors: Neil Buttle, Stuart Lees, Lucy Peacock, Simon Ripton, Roger Shelley and Marilyn Franks

Kerry France (Legal Services Manager), Mike Galsworthy (Estates and Facilities Manager), Karen Henriksen (Director of Resources), Jenny Williams (Head of the Internal Audit Consortium), Lucy Harrison (Democratic Services Assistant), Tommy Shaw (Democratic Services Team Leader) and Paul Wilson (Chief Executive)

### **Note:**

*“Opinions expressed or statements made by individual persons during the public participation part of a Council or committee meeting are not the opinions or statements of Derbyshire Dales District Council. These comments are made by individuals who have exercised the provisions of the Council’s Constitution to address a specific meeting. The Council therefore accepts no liability for any defamatory remarks that are made during a meeting that are replicated on this document.”*

### **APOLOGIES**

Apologies for absence were received from Councillor(s): Geoff Bond, Steve Flitter and David Hughes

### **191/23 - APPROVAL OF MINUTES OF PREVIOUS MEETING**

It was moved by Councillor Stuart Lees, Seconded by Councillor Lucy Peacock and

### **RESOLVED**

That the minutes of the meeting of the Governance and Resources Committee held on 14 September 2023 be approved as a correct record.

## **Voting**

**06 For**

**00 Against**

**01 Abstention**

The Chair declared the motion **CARRIED**.

## **192/23 - PUBLIC PARTICIPATION**

There was no public participation.

## **193/23 - INTERESTS**

### **Item 10 Asset Management Plan – Land Holdings Review Phase 7**

Councillor Stuart Lees declared a non-pecuniary interest in Item 10 due to being a Trustee of the Ashbourne Royal Football Committee.

## **194/23 - QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15**

No questions were received.

## **195/23 - ASSET MANAGEMENT PLAN - LAND HOLDINGS REVIEW PHASE 7**

**6:02pm – Councillor Stuart Lees left the room for the consideration of this item due to declaring an interest.**

The Estates and Facilities Manager introduced a report representing the seventh phase of an ongoing review of the Council's land and property assets in accordance with the Asset Management Plan. This phase of the Land Holdings review covered two sites in the District, one for acquisition for operational requirements and one for which expressions of interest had been received for enhancing a facility.

Site 1 was required as an extension to Bakewell Cemetery and site 2 would bring an underused area of land back into community use. Following consideration of planning, legal and estate management factors, together with operational requirements, recommendations were made regarding whether the sites should be acquired, retained, allocated for a particular use or sold and the terms which would apply.

The results of the review and the recommendations for the two sites were summarised in Appendix 1 together with plans of each site. Each of the sites were voted on individually, the decisions are outlined below.

It was moved by Councillor Neil Buttle, Seconded by Councillor Simon Ripton and

**RESOLVED** (unanimously)

1. That, in respect of Site 1, Land south of Bakewell Cemetery, the Estates and Facilities Manager be delegated to agree terms for the acquisition of the required land and access rights as outlined in Appendix 1 of this report, subject to planning consent and subject to further approval by this Committee.

2. That a request be made to Council (for the update due in February 2024) to include an amount of £125,000 in the Capital Programme for 2024/25 and £75,000 in 2025/26 in respect of Site 1 to cover the land purchase costs and enabling infrastructure works to form a cemetery extension.

The Chair declared the motion **CARRIED**.

It was moved by Councillor Neil Buttle, Seconded by Councillor Simon Ripton and

**RESOLVED** (unanimously)

3. That in respect of Site 2, Fishponds at Fishpond Meadows, Ashbourne, the Estates and Facilities Manager be delegated to proceed with a leasehold disposal of the site as outlined in Appendix 1 of this report, subject to appropriate Public Open Space consultation.
4. That it be noted that the disposal in three above comprises an undervalue transaction as permitted under the General Disposal Consent 2003.

The Chair declared the motion **CARRIED**.

### **196/23 - ANTI-FRAUD BRIBERY AND CORRUPTION STRATEGY (INCLUDING ANTI-MONEY LAUNDERING POLICY)**

The Director of Resources introduced a report which sought Member approval for the Council's updated Anti-Fraud, Bribery and Corruption Strategy (including Anti-Money Laundering Policy) which was attached as Appendix A to the report.

The Council last reviewed its Anti-Fraud and Corruption Strategy and Anti-Money Laundering Policy in 2018. Members were informed that in line with good practice for all public bodies, the Council should have in place an up-to-date Anti-Fraud, Bribery and Corruption Strategy. The formal commitment to this strategy would serve to restate the Council's zero tolerance of fraud and all forms of malpractice. The refresh of the strategy would provide an opportunity to promote the key message to both Members and Employees.

The strategy had been reviewed and updated to reflect developing good practice. It was noted that there had been no regulatory or legislative changes since the last review. The changes made aimed to provide further clarity to Officers and Members as to the requirements of the strategy and guidance as to what may indicate potential money laundering activities.

It was moved by Councillor Simon Ripton, Seconded by Councillor Marilyn Franks and

**RESOLVED** (unanimously)

That the updated Anti-Fraud, Bribery and Corruption Strategy (including Anti - Money Laundering Policy), which was attached as Appendix A to the report, is approved.

The Chair declared the motion **CARRIED**.

## **197/23 - INTERNAL AUDIT PROGRESS UPDATE 2023/24**

The Head of the Internal Audit Consortium introduced a report providing a progress update in respect of the 2023/2024 Internal Audit Plan. The report included a summary of internal audit reports issued since the last meeting of the Committee and updated Members on the implementation of internal audit recommendations.

Members were informed that recruitment difficulties meant that very little of the 2022/23 Internal Audit plan had been completed however, a Senior Auditor commenced at the end of May 2023 and an Auditor in July 2023. Progress against the 2023/24 plan and whether this was still achievable had been assessed. It was anticipated that most of the plan would be completed so the plan had not been revised at the time of publishing the report.

A summary of reports issued to date in respect of the 2023/24 financial year was included at Appendix 1. Appendix 2 provided a summary of the progress made on the 2023/24 internal audit plan overall and attached at Appendix 3 was a summary of made, implemented and overdue internal audit recommendations as at the end of September 2023.

It was moved by Councillor Neil Buttle, seconded by Councillor Roger Shelley and

**RESOLVED** (unanimously)

That the report be received and noted.

The Chair declared the motion **CARRIED**.

## **198/23 - ARREARS FOR WRITE OFF 2023/24**

The Director of Resources introduced a report providing information about debtor write offs authorised by the Director of Resources under delegated authority in accordance with the Council's Financial Regulations and sought approval for the write off individual debts of £10,000 or more in accordance with the Council's Financial Regulations.

Under regulation 5.2.12 of the Council's Financial Regulations, authority was delegated to the Director of Resources to write-off individual debts up to £10,000. Under the scheme of delegation to officers the Director of Resources also had authority to write off any arrears that had been caused by an officer error. The report detailed those debts of £10,000 or more for which authorisation to write-off was required from the Committee under regulation 5.2.12 of the Financial Regulations.

This mid-year report for 2023/24 covered arrears relating to council tax, nondomestic rates, housing benefit overpayments and sundry debts. It was noted that any debt would be reinstated where further information subsequently came to light that allowed further recovery action to be pursued. Appendix 1 to the report detailed the schedule of proposed write offs.

It was moved by Councillor Simon Ripton, seconded by Councillor Stuart Lees and



**RESOLVED** (unanimously)

That the individual debts of £10,000 or more listed in Appendix 1 of the report totalling £80,136.38 be approved for write off.

The Chair declared the motion **CARRIED**.

**199/23 - ANNUAL REPORT ON THE REGULATION OF INVESTIGATORY POWERS ACT (RIPA)**

The Legal Services Manager introduced an annual report providing an update on the Council's use of RIPA and related matters.

The Regulation of Investigatory Powers Act 2000 (RIPA) was put in place to ensure that the use of investigatory powers by certain organisations complied with the UK's obligations under the European Convention on Human Rights (ECHR) including Article 8 (the right to privacy). The District Council's RIPA Policy was approved by Council in January 2020 and updated in July 2022 to include a procedure for the use of corporate social media accounts to access information.

Following the adoption of the updated policy in July 2022, the Council was subject to a desktop inspection by the Investigatory Powers Commissioner's Office (IPCO). The feedback from the IPCO was that the policy was well structured but required a further update in respect of:

- (a) Part two of the policy, which provides guidance regarding the acquisition of communications data, does not reflect the impact of Section 73 of the Act. The organisation is yet to form a collaboration with the National Anti-Fraud Network and the SRO should ensure that all are aware of the opportunities presented under Section 73 of the IPA going forward.
- (b) Deletion of references to the OSC Procedures and Guidance document which is now obsolete.

Whilst the authority had not carried out any activity under the Act for some time, the IPCO was pleased that a number of targeted training sessions were delivered in 2021 to those involved in the use, application, and authorisation of covert tactics.

It was moved by Councillor Roger Shelley, Seconded by Councillor Simon Ripton and

**RESOLVED** (unanimously)

1. That the Annual Report on the Council's use of the Regulation of Investigatory Powers Act be accepted and approved.
2. That the Regulation of Investigatory Powers Act (RIPA) Policy be amended as detailed within the report.

The Chair declared the motion **CARRIED**.

## **200/23 - SUCCESSION PLANNING**

The Chief Executive introduced a report summarising the difficulties the Council was facing regarding recruitment in a competitive employment market and noted that there were several potential retirements in singleton post.

The report sought Member approval of a Succession Planning policy. A draft of the policy had been considered by the Corporate Leadership Team before going to consultation at the Employee Group and Joint Consultative Group.

Members were informed that since the pandemic there had been an increase in the turnover of staff and in addition, the Council had experienced proven difficulty to recruit in some key posts. Steps taken to date to try to resolve these problems were detailed in section 2.2 of the report.

The Council's annual equality report confirmed that there was an ageing workforce, with 34% of staff aged over 55, an age where they could consider flexible retirement. It was noted that even though the state retirement age had moved to 66+, the Council would face the retirement of long serving, skilled and knowledgeable colleagues when they chose to retire over the next decade. Members were informed that many of these colleagues were in 'singleton posts' and would give a significant loss of knowledge if they retired without a potential successor. In addition, it was noted that service delivery could be severely affected if the Council was unable to recruit to these posts at first attempt.

It was moved by Councillor Simon Ripton, seconded by Councillor Stuart Lees and

**RESOLVED** (unanimously)

That the proposed Succession Planning policy be adopted.

The Chair declared the motion **CARRIED**.

**Meeting Closed: 6.48 pm**

**Chairman**



# Agenda Item 6

**OPEN REPORT  
GOVERNANCE AND RESOURCES COMMITTEE**

---

**Governance and Resources Committee – 15 February 2024**

**TREASURY MANAGEMENT MID-YEAR REPORT 2023/24**

**Report of the Director of Resources**

**Report Author and Contact Details**

Karen Henriksen – Director of Resources

[Karen.henriksen@derbyshiredales.gov.uk](mailto:Karen.henriksen@derbyshiredales.gov.uk) Tel: 01629 761284

Rachael Ayre – Principal Accountant

[Rachael.Ayre@derbyshiredales.gov.uk](mailto:Rachael.Ayre@derbyshiredales.gov.uk) Tel: 01629 761213

**Wards Affected**

All

**Report Summary**

This report summarises treasury management activities for the first six months of 2023/24 and seeks approval for the Treasury Management Mid-Year report for 2023/24.

**Recommendations**

That the Treasury Management Mid-Year Report for 2023/24 be received and approved.

**List of Appendices**

None

**Background Papers**

None

**Consideration of report by Council or other committee**

No

**Council Approval Required**

No

**Exempt from Press or Public**

No

## Treasury Management Mid-Year Report 2023/24

### 1. Background

- 1.1 The Council has long adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Authority to approve, as a minimum, treasury management semi-annual and annual outturn reports.
- 1.2 This report includes the new requirement in the 2021 Code, mandatory from 1st April 2023, of quarterly reporting of the treasury management prudential indicators. The results from the first two quarters of 2023/24 are reported in this report. The non-treasury prudential indicators are incorporated in the Authority's capital monitoring report.
- 1.3 The Authority's treasury management strategy for 2023/24 was approved at a meeting on 2<sup>nd</sup> March 2023. The Council invests substantial sums of money and is therefore exposed to financial risks including the potential loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.

### 2. External Context

- 2.1 UK inflation remained stubbornly high over much of the reporting period compared to the US and euro zone, keeping expectations elevated of how much further the Bank of England (BoE) would hike rates compared to the regions. However, inflation data published in the latter part of the period undershot expectations, causing financial markets to reassess the peak in the BoE Base Rate. This was followed very soon after by the BoE deciding to keep Base Rate on hold at 5.25% in September, against expectation for another 0.25% rise.
- 2.2 Economic growth in the UK remained relatively weak over the period. In calendar Q2 2023, the economy expanded by 0.4%, beating expectations of a 0.2% increase. However, monthly GDP data showed a 0.5% contraction in July, the largest fall to date in 2023 and worse than the 0.2% decline predicted which could be an indication the monetary tightening cycle is starting to cause recessionary or at the very least stagnating economic conditions.
- 2.3 July data showed the unemployment rate increased to 4.3% (3mth/year) while the employment rate rose to 75.5%. Pay growth was 8.5% for total pay (including bonuses) and 7.8% for regular pay, which for the latter was the highest recorded annual growth rate. Adjusting for inflation, pay growth in real terms were positive at 1.2% and 0.6% for total pay and regular pay respectively.
- 2.4 Inflation continued to fall from its peak as annual headline CPI declined to 6.7% in July 2023 from 6.8% in the previous month against expectations for a tick back up to 7.0%. The largest downward contribution came from food

prices. The core rate also surprised on the downside, falling to 6.2% from 6.9% compared to predictions for it to only edge down to 6.8%.

- 2.5 The Bank of England's Monetary Policy Committee continued tightening monetary policy over most of the period, taking Bank Rate to 5.25% in August. Against expectations of a further hike in September, the Committee voted 5-4 to maintain Bank Rate at 5.25%. Each of the four dissenters were in favour of another 0.25% increase.
- 2.6 Financial market Bank Rate expectations moderated over the period as falling inflation and weakening data gave some indication that higher interest rates were working. Expectations fell from predicting a peak of over 6% in June to 5.5% just ahead of the September MPC meeting, and to then expecting 5.25% to be the peak by the end of the period.
- 2.7 Following the September MPC meeting, Arlingclose, the authority's treasury adviser, modestly revised its interest forecast to reflect the central view that 5.25% will now be the peak in Bank Rate. In the short term the risks are to the upside if inflation increases again, but over the remaining part of the time horizon the risks are to the downside from economic activity weakening more than expected.
- 2.8 GDP growth remains weak, with recent data showing the region expanded by only 0.1% in the three months to June 2023, the rate as the previous quarter.

### **3. Financial Markets**

- 3.1 Financial market sentiment and bond yields remained volatile, with the latter generally trending downwards as there were signs inflation, while still high, was moderating and interest rates were at a peak.
- 3.2 Gilt yields fell towards the end of the period. The 5-year UK benchmark gilt yield rose from 3.30% to peak at 4.91% in July before trending downwards to 4.29%, the 10-year gilt yield rose from 3.43% to 4.75% in August before declining to 4.45%, and the 20-year yield from 3.75% to 4.97% in August and then fell back to 4.84%. The Sterling Overnight Rate (SONIA) averaged 4.73% over the period.

### **4. Credit Review**

- 4.1 Having completed a review of its credit advice on unsecured deposits at UK and non-UK banks following concerns of a wider financial crisis after the collapse of Silicon Valley Bank purchase of Credit Suisse by UBS, as well as other well-publicised banking sector issues, in March Arlingclose reduced the advised maximum duration limit for all banks on its recommended counterparty list to 35 days. This stance continued to be maintained at the end of the period.

- 4.2 During the second quarter of the period, Moody’s revised the outlook on Svenska Handelsbanken to negative from stable, citing concerns around the Swedish real estate sector.
- 4.3 Having put the US sovereign rating on Rating Watch Negative earlier in the period, Fitch took further action in August, downgrading the long-term rating to AA+, partly around ongoing debt ceiling concerns but also an expected fiscal deterioration over the next couple of years.
- 4.4 Following the issue of a Section 114 notice, in September Arlingclose advised against undertaking new lending to Birmingham City Council, and later in the month cut its recommended duration for Warrington Borough Council to a maximum of 100 days.
- 4.5 Arlingclose continued to monitor and assess credit default swap levels for signs of ongoing credit stress and although no changes were made to recommended durations over the period, Northern Trust Corporation was added to the counterparty list.
- 4.6 Heightened market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Authority’s counterparty list recommended by Arlingclose remains under constant review.

## 5. Local Context

- 5.1 On 31<sup>st</sup> March 2023 the Authority had net investments of £22.4m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	<b>31.03.23 Actual £000</b>
General Fund CFR	5,690
External Borrowing	(5,450)
<b>Internal (over) borrowing</b>	<b>240</b>
Usable reserves	25,527
Working capital	(3,122)
<b>Net Investments</b>	<b>22,405</b>

- 5.2 The treasury management position at 31<sup>st</sup> March and the change over the six months' is shown in table 2 below.

Table 2: Treasury Management Summary

	31.3.23 Balance £000	Movement £000	30.9.23 Balance £000	30.9.23 Rate % (Total return)
<b>Total borrowing</b>	(5,450)	0	(5,450)	4.1
Long-term investments*	875	4	879	
Short-term investments	2,000	7,000	9,000	
Cash and cash equivalents	19,530	148	19,678	
Total investments	22,405	7,152	29,557	4.67
<b>Net Investments</b>	<b>16,955</b>	<b>7,152</b>	<b>24,107</b>	

\*The Long-term investment refers to the £1 million invested in the CCLA property Investment fund. The figure above represents the current capital value of this fund.

## 6. Borrowing

- 6.1 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.
- 6.2 The Council has not invested in assets primarily for financial return or that are not primarily related to the functions of the Authority. It has no plans to do so in future. As outlined in the treasury management strategy, the Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective. The Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.
- 6.3 There has been a substantial rise in the cost of both short- and long-term borrowing over the last 18 months. Bank Rate rose by 1% from 4.25% at the beginning of April to 5.25% at the end of September. Bank Rate was 2% higher than at the end of September 2022.
- 6.4 UK gilt yields were volatile, mainly facing upward pressure since early April following signs that UK growth had been more resilient, inflation stickier than expected, and that the Bank of England saw persistently higher rates through 2023/24 as key to dampening domestic demand. Gilt yields, and

consequently PWLB borrowing rates, rose and broadly remained at elevated levels. On 30<sup>th</sup> September, the PWLB certainty rates for maturity loans were 5.26% for 10-year loans, 5.64% for 20-year loans and 5.43% for 50-year loans. Their equivalents on 31<sup>st</sup> March 2023 were 4.33%, 4.70% and 4.41% respectively.]

- 6.5 At 30<sup>th</sup> September 2023 the Authority held a PWLB Loan of £5,450,000 (the same position as at 31<sup>st</sup> March 2023), as part of its strategy for funding previous years' capital programmes.

## 7. Treasury Investment Activity

- 7.1 The CIPFA Treasury Management Code now defines treasury management investments as those investments which arise from the Authority's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
- 7.2 The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the half year to 30 September 2023, the Authority's investment balances ranged between £18.274 and £29.826 million due to timing differences between income and expenditure. The investment position at 30<sup>th</sup> September 2023 is shown in table 3 below.

Table 3: Treasury Investment Position

<b>Investment Held</b>	<b>31.03.2023 Balance £'000</b>	<b>Movement in year £'000</b>	<b>30.09.2023 Balance £'000</b>	<b>30.09.23 Income Return %</b>	<b>31.03.23 Weighted Average Maturity Days</b>
Banks & Building Societies	130	-35	95		
Central Government	4,000	6,321	10,321		
Local Authorities	5,000	10,000	15,000		
Money Market Funds	12,400	-9,138	3,262		
CCLA Property Fund	875	4	879		
<b>Total Investments</b>	<b>22,405</b>	<b>7,152</b>	<b>29,557</b>	<b>5.20</b>	<b>*59</b>

*\*Weighted average days to maturity across the portfolio. Money Market Funds and the Council's operational bank accounts are held for immediate access.*



- 7.3 Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 7.4 As demonstrated by the liability benchmark in part 11 of this report, the Authority expects to be a long-term investor and treasury investments therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services.
- 7.5 Bank Rate increased by 1%, from 4.25% at the beginning of April to 5.25% by the end of September. Short-dated cash rates rose commensurately, with 3-month rates rising to around 5.25% and 12-month rates to nearly 6%. The rates on Debt Management Account Deposit Facility (DMADF) deposits also rose, ranging between 4.8% and 5.4% by the end of June and Money Market Rates between 4.6% and 4.9%.
- 7.6 £1m was invested in The CCLA Property fund on 30<sup>th</sup> September 2018 this was set aside for longer-term investment and is invested in externally managed strategic pooled property funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long term-price stability. These funds generated receipts of £40,784 (3.62% return) in 2022/23. Income returns remained broadly consistent at 3.87%. The Authority has budgeted £31,000 income from these investments in 2023/24. Income received up to 30<sup>th</sup> September was £21,897. The capital value at 30<sup>th</sup> September has increased slightly to £879,075 from £875,466 at 31<sup>st</sup> March 2023, but this still represents a capital loss to date of £120,925.
- 7.7 In April 2023 the Department for Levelling Up, Housing and Communities published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for two years until 31<sup>st</sup> March 2025, but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to the consultation outcome suggests not. The Authority will discuss with Arlingclose the implications for the investment strategy and what action may need to be taken.
- 7.8 The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 4 below.

Table 4: Investment Benchmarking – Treasury investments managed in-house

	<b>Credit Score</b>	<b>Credit Rating</b>	<b>Bail-in Exposure*</b>	<b>Weighted Average Maturity (days)</b>	<b>Rate of Return %</b>
31.03.2023	4.71	A+	58%	21	4.04
<b>30.09.2023</b>	4.37	AA-	12%	59	5.20
<b>Similar LAs</b>	4.43	AA-	56%	63	4.71
<b>All LAs</b>	4.47	AA-	59%	13	4.79

\* Bail-in is one of the stabilisation tools available to the Bank of England as resolution authority under the Banking Act 2009. Bail-in ensures investors, rather than public funds, bear losses where a firm fails. Therefore, a higher bail-in exposure reflects a higher financial risk.

## **8. Non-Treasury Investments**

- 8.1 The definition of investments in the Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
- 8.2 Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) also includes within the definition of investments all such assets held partially or wholly for financial return.
- 8.3 The Authority held £1.65m of such investments in directly owned property. These investments generated £0.1m of investment income in 2022-23 for the Council after taking account of direct costs, representing a rate of return of 6.17%. This is higher than the return earned on treasury investments but reflects the additional risks to the authority of holding such investments. The actual rate of return for 2023-24 is expected to be similar and will be reported in the Treasury Out-turn report.

## **9. Treasury Performance**

- 9.1 Table 5 below shows interest received at 30<sup>th</sup> September 2023 compared to the budget.

Table 5 Interest Received

Type Of Investment	Actual Interest 30.09.23 £'000	Profiled Budget 30.09.23 £'000	(Under)/Over 30.09.23 £'000	Forecast Out Turn predicted 31.03.24 £'000
<b>Long Term Investment</b>				
CCLA Property Fund	<b>22</b>	<b>16</b>	<b>6</b>	
<b>Instant Access:</b>				
Money Market Funds	138	102	36	
Lloyds bank Account	0	0	0	
<b>Total Interest on Cash available immediately</b>	<b>138</b>	<b>102</b>	<b>36</b>	
<b>Fixed Term Investments:</b>		0		
Debt Management Office	104	0		
UK Treasury Gilts	43			
Local Authorities	233			
<b>Total Interest Earned on Fixed Term Investments</b>	<b>380</b>	<b>2</b>	<b>378</b>	
<b>Total Interest at 30<sup>th</sup> September</b>	<b>540</b>	<b>1</b>	<b>420</b>	<b>1,250</b>

## 10. Compliance

10.1 The Director of Resources reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 6 below.

Table 6: Investment Limits

	<b>2023/24 Max £'000</b>	<b>30.09.23 Actual £'000</b>	<b>2023/24 Limit £'000</b>	<b>Complied?</b>
Banks Unsecured per bank (£2m per counterparty)	127	56	2,000	✓

Banks – Council’s Own banker (Lloyds)	296	38	7,000	✓
Local Authorities per Authority	4,000 per Authority	4,000 per Authority	4,000 per Authority	✓
Maximum amount in the period in total	17,000 invested in total	6,000 invested in total		
Money Market Funds (per fund)	4,000 per fund		4,000 per fund	✓
Maximum amount in the period in total	12,400	3,262		
UK Government	10,321	10,321	Unlimited	✓
Pooled Funds	879	879	4,000	✓

10.2 Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 7 below.

Table 7: Debt and the Authorised Limit and Operational Boundary

	<b>H1 2023/24 Maximum £ ‘000</b>	<b>30.9.23 Actual £ ‘000</b>	<b>2023/24 Operational Boundary £ ‘000</b>	<b>2023/24 Authorised Limit £ ‘000</b>	<b>Complied?</b>
Borrowing	5,450	5,450	9,000	12,000	✓

## 11. Treasury Management Prudential Indicators

11.1 Table 5 above shows interest received at 30<sup>th</sup> September 2023 compared to the budget.

11.2 As required by the 2021 CIPFA Treasury Management Code, the Authority monitors and measures the following treasury management prudential indicators.

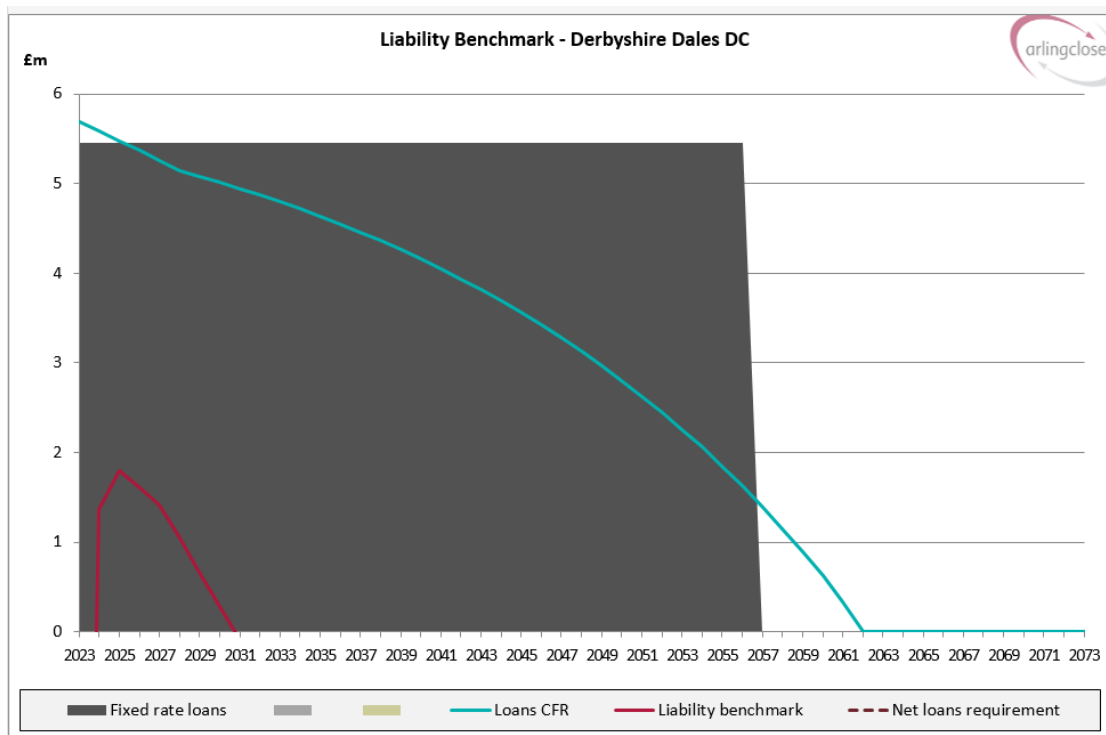
### 11.3 The Liability Benchmark

This new indicator compares the Authority’s actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the

future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £7m required to manage day-to-day cash flow.

	31.03.23 Actual £'000	31.03.24 Forecast £'000	31.03.25 Forecast £'000	31.03.26 Forecast £'000
Capital Financing Requirement	5,700	5,600	5,500	5,500
External Borrowing	(5,500)	(5,500)	(5,500)	(5,500)
<b>Internal/(over) Borrowing</b>	<b>200</b>	<b>100</b>	<b>0</b>	<b>0</b>
Balance Sheet Resources (Reserves)	(22,800)	(11,200)	(10,700)	(10,800)
Investments	22,600	11,100	10,700	10,800
<b>New Borrowing</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Net Loan Requirement	(17,100)	(5,600)	(5,200)	(5,400)
Liquidity Allowance	7,000	7,000	7,000	7,000
<b>Liability Benchmark</b>	<b>(10,100)</b>	<b>1,400</b>	<b>1,800</b>	<b>1,600</b>

- 11.4 For 2023/24 the liability benchmark shows a net loan requirement of £5.6 million. This is the forecast level of net borrowing, calculated as treasury investment minus external borrowing. As this is a positive cash flow, this shows that the Council has sufficient funds available and has not needed to borrow to fund its capital programme.
- 11.5 The Liquidity Allowance is an estimate of the minimum level of short-term investments needed to provide an adequate, but not excessive level of liquidity for daily cashflow management.
- 11.6 The Liability Benchmark represents the lowest risk level of borrowing considering credit, liquidity, and market risks. For 2023/24 this shows a negative benchmark of £1.4 million and shows that the council has net investments. As can be seen in the table above, for future years the Council has a positive net loan requirement of circa £5m, this is after allowing for a fully funded capital programme.
- 11.7 The benchmark assumes that reserves will decrease and that no further capital grants and receipts will be received other than those identified in the Capital programme reported to Members on 14<sup>th</sup> December 2023. It also assumes that Creditors, Debtors and Provisions will increase by 2.5% each year.
- 11.8 Taking into account the liquidity allowance of £7m, the lowest risk level of borrowing is circa £1.4m – £1.8m. The benchmark is just that and it will change over time and therefore acts as a guide only.
- 11.9 The Liability benchmark continues to reduce as the CFR reduces and further cash is available for investment until 2056 when the debt is repaid.



11.10 Maturity Structure of Borrowing. This indicator is set to control the Authority’s exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	Lower Limit	30.09.23 Actual	Complied?
Under 12 months	35%	0%	0%	✓
12 months and within 24 months	50%	0%	0%	✓
24 months and within 5 years	65%	0%	0%	✓
5 years and within 10 years	80%	0%	0%	✓
10 years and above	100%	100%	100	✓

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

#### 11.11 Long-term Treasury Management Investments

The purpose of this indicator is to control the Authority’s exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2023/24 £'000	2024/25 £'000	2025/26 £'000

Limit on principal invested beyond year end	5,000	5,000	5,000
Actual principal invested beyond year end	1,000	1,000	1,000
Complied?	✓	✓	✓

11.12 Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

#### Additional Indicators

11.13 Security - The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio.

	<b>2023/24 Target</b>	<b>30.09.23 Actual</b>	<b>Complied?</b>
Portfolio average credit rating	A	AA-	✓

11.14 Liquidity - The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount.

	<b>30.9.23 Actual £'000</b>	<b>2023/24 Target £'000</b>	<b>Complied?</b>
Total cash available within 3 months	19,678	7,000	✓

11.15 Interest Rate Exposures This indicator is set to control the Authority's exposure to interest rate risk. Bank Rate rose by 1.25% from 4.25% on 1<sup>st</sup> April to 5.25% by 30<sup>th</sup> September. This indicator has been calculated based on the Council's variable rate investments at 30<sup>th</sup> September 2023.

<b>Interest rate risk indicator</b>	<b>2023/24 Target £'000</b>	<b>30.09.23 Actual £'000</b>	<b>Complied?</b>
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	400	42	✓
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	400	(42)	✓

## **12. Policy Implications**

12.1 This is a compliance report in respect of Treasury Management policy and the Treasury Management Strategy that was approved in March 2023.

### **13. Financial and Resource Implications**

- 13.1 Financial Information is contained within the report.
- 13.2 The budget for investment income in the first half-year to 30th September 2023 is £118,500. Actual Investment income earned for the period is £538,885. The Council has generated £420,385 more in investment income than budgeted in the half-year. This is due to more focussed treasury management and interest rates being higher than expected during 2023/24.
- 13.3 The forecast out-turn for 2023/24 is £1.2m, which is £963,000 more than in the budget that was set in March 2023.
- 13.4 The overall risk associated with this report's recommendations is assessed as low.

### **14. Legal Advice and Implications**

- 14.1 This report summarises treasury management activities for the first six months of 2023/24 and seeks approval for the Treasury Management Mid-Year report for 2023/24.
- 14.2 The report complies with best practice and government guidance on the preparation of the treasury management strategy statement.
- 14.3 The Legal risk connected to the decision making contained in this report has been assessed as low.

### **15. Equalities Implications**

- 15.1 None

### **16. Climate Change Implications**

- 16.1 No detailed climate change impact assessment is required. However, it is acknowledged that environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing. Therefore, the Council's Treasury Management Strategy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level.

### **17. Risk Management**

- 16.2 This strategy sets in place a proposed structure and systems that place security of investments above yield. The risk is therefore assessed as low.

#### **Report Authorisation**

Approvals obtained from:-



	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	05/02/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	07/02/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	7/2/2024

This page is intentionally left blank



# Agenda Item 7

**OPEN REPORT  
GOVERNANCE AND RESOURCES COMMITTEE**

**Governance and Resources Committee – 15 February 2024**

## **FEES AND CHARGES FOR 2024/25**

**Joint Report of the Director of Resources, Director of Community and Environmental Services, Director of Regulatory Services and Director of Corporate and Customer Services**

### **Report Authors and Contact Details**

Ashley Watts, Director of Community and Environmental Services  
01629 761367 or [ashley.watts@derbyshiredales.gov.uk](mailto:ashley.watts@derbyshiredales.gov.uk)

Helen Mitchell, Director of Corporate and Customer Services  
01629 761281 or [helen.mitchell@derbyshiredales.gov.uk](mailto:helen.mitchell@derbyshiredales.gov.uk)

Tim Braund, Director of Regulatory Services  
01629 761118 or [tim.braund@derbyshiredales.gov.uk](mailto:tim.braund@derbyshiredales.gov.uk)

Karen Henriksen, Director of Resources  
01629 761284 or [karen.henriksen@derbyshiredales.gov.uk](mailto:karen.henriksen@derbyshiredales.gov.uk)

### **Wards Affected**

District Wide

### **Report Summary**

This report seeks approval for proposed fees and charges for 2024/25 in respect of Community and Environmental Services, Corporate and Customer Services and Regulatory Services.

### **Recommendation**

That the fees and charges recommended in Appendices 1 – 13 of the report are approved and implemented with effect from 1 April 2024, or as soon as practicable thereafter.

### **List of Appendices**

Schedules of Proposed Fees

Appendix 1	Public Conveniences, Pest Control and Dog Control
------------	---

Appendix 2	Waste and Recycling
Appendix 3	Cemeteries
Appendix 4	Agricultural Business Centre – Room Hire
Appendix 5	Stall Markets and Farmers’ Markets
Appendix 6	Parks, Recreation Grounds and Public Spaces
Appendix 7	Car Parks
Appendix 8	Events
Appendix 9	Corporate Services
Appendix 10(a)(b)(c)	Environmental Health
Appendix 11	Licensing
Appendix 12	Estates and Facilities
Appendix 13	Planning Pre-application Advice
Appendix 14	Equality Impact Assessment for New dog control call out fee.
Appendix 15	Equality Impact Assessment for Cricket Pitch Hire Fees

**Background Papers**

None

**Consideration of report by Council or other committee**

Not applicable

**Council Approval Required**

No

**Exempt from Press or Public**

No

## **Fees and charges for 2024/25**

### **1. Background**

- 1.1 The Committee is asked to consider an annual review of the fees and charges for services provided across the Council.
- 1.2 The Consumer Price Index (CPI) stood at 4.0% in December 2023, the last figures available at the time of writing this report.
- 1.3 In recent years fees and charges have been increased, in general, by an amount that slightly exceeds inflation rates at the time. Charging above the current rate of inflation will generate higher levels of income in real terms and will assist in balancing the budget for 2024/25 given the significant inflationary increases on Council spending. On the other hand, increases higher than current levels of inflation might not be acceptable to the public at these times of a cost-of-living crisis and might result in customer resistance, leading to a potential loss of income. Therefore, service managers have used their knowledge of their services and customers to set the proposed fees and charges.
- 1.4 Where officers have recommended fee increases of more than 4% or that fees be frozen at the 2023/24 level, an explanation has been provided in the report.
- 1.5 Appendices 1 – 13 contain schedules of the existing and recommended charges.

### **2. Report for 2024/25**

#### **2.1 Community and Environmental Services**

**Appendix 1** details the existing and proposed fees and charges for Public Conveniences, Pest Control and Dog Control.

It is proposed that the 20p fee for the use of public conveniences is retained. There is a Public Convenience Working Group who will be reviewing the fees of the facilities this financial year along with many other aspects of the service.

The recommended fees for dog control include an increase of around 10%. The fee increase reflects the increased cost of looking after stray dogs and it is recommended that this is passed on to owners. There is a new fee of £50 for a call out charge.

The Pest Control service remains suspended as it wasn't commercially viable. However, as referenced in the Clean and Green Service Report in July, there is a commitment from officers to review commercial aspects of the service. Pest control will form part of the evaluation. This will take place once the structural changes and performance monitoring mechanism have been established and a report will be presented to Elected Members.

**Appendix 2** details charges for waste and recycling collections. The recommended fees include an average increase of around 8% with the key changes as follows:

- It is proposed that subscriptions to the Garden Waste Collection Service be increased by 12% to £56 p.a. from £50.00, which was the price agreed by Members in 2019 for year 1 of the garden waste subscription scheme. These prices were retained in year 2 following the HGV shortage and Covid and in year 3 for service disruption from Serco. This proposed charge for 2024/25 reflects increases in the collection charges from Serco and in disposal costs.
- It is proposed that the charges for bulky collections should increase by 6% to 10% to pass on relevant increases in charges from the waste collection contractor.
- Charges for new or replacement wheeled bins will increase by 5% to 8% to bring them in line with the supplier's charges.
- Charges to collect trade and commercial waste have been increased by 6.5% to 10% to pass on relevant increases in charges from the waste collection contractor and for waste disposal.
- It is proposed that the charges for commercial clinical waste should increase by 10%, to reflect the charge that the Council receives from Serco and for waste disposal. The increase means the Council will not continue to subsidise this service.

**Appendix 3** Memorial bench fees have been retained this year, so will be the same as the charges in 2023/24.

**Appendix 4** details the existing and recommended fees and charges in respect of room hire at the Bakewell Agricultural Business Centre. The recommended fees include an increase of 5%, with the exception of the Conference Room hire.

It is proposed that the conference room hire fee is frozen at the current price as this has been highlighted as a key area that could help the ABC to increase bookings. The team plan to improve the offer available to conference room hirers including improved Wi-Fi, refreshments, décor and marketing approach.

**Appendix 5** details the existing fees and charges and those recommended for approval with effect from 1st April 2024 in respect of Bakewell stall market and Famers' Market.

In December 2024 a price comparison exercise was undertaken to compare the 2023/24 pricing structure with mix of local and similar occupancy level markets. The results are shown in the table below:

Market	Stall size	Price	Stall Set up
<b>Bakewell</b>	<b>9ft/12ft</b>	<b>£26.30/£34.20 Erected</b>	<b>Erected</b>
Chesterfield	8ft/12ft	£9.70 - £20.10 Fixed	Fixed
Ormskirk	10' x 4'	£27.50	Self-erect
Louth	10ft	£15.00	Erected
Loughborough	10ft	£28.00	N/A
Retford	10ft	£14.50	Erected
Stamford	10ft	£23.85	Erected
Beverley	12ft	£25.00	Self-erect
Beverley	12ft	£54.00	Erected

- It is proposed that market stall rents (for the stall market and farmers' markets) are again frozen for 2024/25 to help retain and offer some support to current traders and encourage new traders. Bakewell Monday Stall Market and monthly Farmers Market continue to be successful markets even though they have seen a decline in trader numbers since the pandemic. Based on the price comparison above Bakewell Market is one of the more expensive markets though still competitive based on the size of market, which might not be the case in rents were to increase. A number of the markets above have also frozen their prices over the last few years.
- Large Markets continue, in the main to see a decline. It's apparent from talking to traders at our own markets, other markets and the National Market Traders Federation that the cost of living crisis continues to effect traders both in terms of their costs (travel, stock) and customer spend which is resulting in a decline in market traders.
- An increase of 7.1% is proposed for stall market and farmers' market parking (for traders) and an increase of 10% (£5 to £5.50) is recommended for casual traders.

**Appendix 6** details the existing fees and charges and those recommended for approval with effect from 1st April 2024 in respect of parks, recreation grounds and public spaces. The recommended fees include increases ranging from 0% to 17.75%.

There is a proposed increase of 17.75% on the charge for the hire of a football /rugby pitch at Ashbourne Recreation Ground. This is due to bringing the prices for all pitch bookings (cricket, rugby and football) in Ashbourne in line and consistent with those across other facilities in the District, but without charging for the use of the Pavilion. Bookings for the Pavilion are booked directly with the Pavilion Group.

Charges for Fixed Penalty Notices relating to PSPO's and the Environmental Protection Act have been frozen.

### **Leisure Centres**

Under the terms of the contract with Freedom Leisure, responsibility for setting fees and charges for leisure centres transferred to them from 1 August 2018. The next price increase is due in April 2024 once approved by the District Council's Contract Manager. At the time of writing this report details of these price increases had not been received.

**Appendix 7** outlines fees relating to car parking permits, passes and season tickets.

Car parking fees and charges are currently being reviewed by the Car Parking Member Group and any changes will be reported to a future Council on the 4th April. Therefore, no changes are proposed in this report.

**Appendix 8** outlines fees relating to events. An average increase of 2.3% is recommended.

The fees for Matlock Bath Illuminations will be discussed and agreed by the Illuminations working group, with fees recommended to the relevant committee at a later date.

## 2.2 Corporate and Customer Services

**Appendix 9** details the current fees and charges and those recommended for the various streams within Corporate and Customer Services.

For Local Land Charges, the level of fees charged by the District Council must also accord with the Local Authorities (England) (Charges for Property Searches) Regulations 2008. The Regulations specify that the charge made in connection with a property search must not amount to more than the actual cost of providing the service. Increases of 6.5% to 9.3% are recommended.

Charges for legal services have been reviewed and brought up to date. The average proposed fee increase is 7.8%. The fee for authorising proof of life for overseas pensioners is recommended to increase by 9.38% from £32.00 to £35.00. This is a discretionary service and the proposed increase reflects inflation and will not reduce the number of individuals wishing to take advantage of the service.

The proposed fees and charges for street naming and numbering and Section 106 Monitoring have been increased by 10% to reflect inflation; fees for road closures are recommended to be increased by 6% to 8%.



## 2.3 Regulatory Services

**Appendix 10** details the existing fees and charges and, those recommended for approval with effect from 1st April 2024 in respect of food hygiene, private sector housing and private water supplies. Recommended fees have been increased by 6%.

**Appendix 11** details the existing fees and charges and, those recommended for approval with effect from 1<sup>st</sup> April 2024 in respect of licensing. Proposed fee increases (for locally set licensing fees) range from 0% to 7.6%.

**Appendix 12** sets out a proposed schedule of charges for the services provided by our Estates and Facilities Team. It is proposed that these charges be increased by 8%. The Council offers a reduction in these fees where the work relates to temporary installations on District Council land by town and parish councils and no charge is levied in relation to work on community asset transfers or emergency works licences.

**Appendix 13** sets out fees for Planning Pre-application Advice. An average increase of 6.1% is recommended to cover the additional costs of providing this service.

## 3. Options Considered and Recommended Proposal

3.1 A range of fee increases was calculated for consideration (from 1% to 10% in 1% increments) for all fees and charges. Service managers also considered other options for their services where appropriate, including freezing fees at the 2023/24 level. When considering significant increases, service managers haven taken account of potential customer resistance, especially given the current cost-of-living crisis.

3.2 One option would be to freeze all fees and charges at the 2023/24 level. However, that would not reflect the increased costs that the Council faces where fees are intended to cover costs. Increasing fees and charges will contribute towards balancing the budget for 2024/25 and achieving a sustainable financial position.

## 4. Consultation

4.1 The fees will be publicised after approval by this committee.

## 5. Timetable for Implementation

5.1 The proposed fees are due to be implemented with effect from 1 April 2024, or as soon as practicable thereafter.

## 6. Policy Implications

6.1 The Council charges fees to cover the cost of some of the services that are provided to make progress in delivering its Corporate Priorities.

## **7. Financial and Resource Implications**

- 7.1 The proposed increases are mostly in the range of 0% to 10%, with most being around 6% to 8%. In March 2023, the Council approved a corporate savings target to identify efficiency savings and/or additional income of £286,000 a year by 2024/25. It was reported to Council on 14 December that the potential budget deficit for 2024/25 was forecast to be £422,000. The budget deficit is forecast For financial years beyond 2024/25 is expected to increase significantly due to inflationary pressures and expected reductions in government grants. Increasing fees and charges will help to close the funding budget deficit.
- 7.2 It should be acknowledged that inflation is falling. The Monetary Policy Report of November 2023 shows that the Bank of England predicts that CPI will average 3.25% in 2024 and 2% in 2025.
- 7.3 Income resulting from the recommended revised fees and charges will be included in the draft revenue spending proposals for the financial year 2024/25 to be considered at the (budget setting) meeting of the full Council on 29 February 2024.
- 7.4 While some fees have been frozen, most are proposed to be increased by 6% to 8% with garden waste subscriptions proposed to increase by 12%. It is hoped that customer resistance to the proposed fee increases will not be significant (see paragraph 11.1 below).
- 7.5 The financial risk is therefore assessed as low.

## **8. Legal Advice and Implications**

- 8.1 This report seeks approval for proposed fees and charges for 2024/25 in respect of Community and Environmental Services, Corporate and Customer Services and Regulatory Services.
- 8.2 Section 19 of the Local Government (Miscellaneous Provisions) Act 1976 enables the Council to provide and charge for recreational facilities in its area.
- 8.3 Section 93 of the Local Government Act 2003 enables the Council to charge for a discretionary service where the recipient agrees to its provision. The Council is afforded ability to charge by statute. This report is updating those fees and charges.
- 8.4 The recommended decision to be made connected to this report is to implement the new fees and charges. Therefore, the risk in relation to the report's recommendations has been assessed at the current time as low.

## **9. Equalities Implications**

- 9.1 When considering equalities implications for the Council, as well as protected characteristics, we consider the higher levels of poverty

experienced by some residents in this rural area due to high cost, poor quality housing stock, and the lower-than-average earnings. Increases in fees will impact on the ability of some residents to access services, particularly where fee increases are above inflation. It could be argued that incomes for some residents have not increased in line with inflation.

9.2 **Appendix 14** shows the Equality Impact Assessment for New Dog Control Fee.

9.3 **Appendix 15** shows the Equality Impact Assessment for Cricket Pitch Hire Fee Increases

## 10. Climate Change Implications

10.1 There are no perceived climate change impacts of the changes to fees and charges recommended in the report.

## 11. Risk Management

11.1 There is a risk that the proposed fee increases may result in customer complaints and higher levels of resistance than expected, leading to a shortfall in income against budget. It is hoped that this risk is mitigated by managers taking customer resistance into account when setting proposed fees. Therefore, this risk is assessed as low.

### Report Authorisation

Approvals obtained from:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	12/02/2024
Director of Resources (S.151 Officer)	Karen Henriksen	12/02/2024
Director of Corporate & Customer Services (Monitoring Officer)	Helen Mitchell	12/02/2024

This page is intentionally left blank

## PUBLIC CONVENIENCES, PEST CONTROL AND DOG CONTROL

PUBLIC CONVENIENCES	Existing Charge 2023-2024 inclusive of 20% VAT £	Proposed Charge 2024-2025 exclusive of 20% VAT £	Proposed Charge 2024-2025 inclusive of 20% VAT and rounded £
Charge for use of public conveniences	0.20	0.17	<b>0.20</b>

DOG CONTROL	Existing Charge 2023-2024 £	Proposed Charge 2024-2025 £ Outside the scope of VAT
These charges are plus Vet's Fees if necessary, and VAT on Vet's Fees.		
<b>STRAY DOGS</b> Penalty for stray dogs collected or returned by Dog Warden	68.30	75.00
<b>Above penalty charge plus kennel fees as follows:</b>		
Each day or part day	18.60 Daily kennel fee (or part day)	20.00 Daily kennel fee (or part day)
Call out charge (New Fee)	0.00	£50.00
Dog Chipping	16.50	18.00

The **pest control** service is currently suspended.

This page is intentionally left blank

## WASTE AND RECYCLING

The following fees are outside the scope of VAT

<b>HOUSEHOLD WASTE</b>	<b>Existing Charge 2023-24 £ (concessions in brackets)</b>	<b>Proposed Charge 2024-25 £ (concessions in brackets)</b>
<b>Bulky waste collections</b>		
Up to 3 items	41.00 (no concessions)	<b>45.00 (no concessions)</b>
Up to 6 items	82.00 (no concessions)	<b>87.00 (no concessions)</b>
Electrical item One item	41.00 (no concessions)	<b>45.00 (no concessions)</b>
Electrical items 2-3 items	82.00 (no concessions)	<b>87.00 (no concessions)</b>
<b>COMPOSTING</b>	<b>Existing Charge 2023-24 £</b>	<b>Proposed Charge 2024-25 £</b>
Subscription to the Garden waste service (per subscription)  Bins only service	50.00  Price has been fixed at £50 for YR1 to YR 3 of the GW Scheme.	<b>56.00</b>
<b>WHEELED BINS FOR NEW PROPERTIES</b>		
140 litre grey wheeled bin, blue lidded bin and food caddies.	23.50	<b>24.75</b>
240 litre grey wheeled bin, blue lidded bin and food caddies.	29.00	<b>31.20</b>
<b>WHEELED BINS – REPLACEMENTS</b>		
140 litre grey wheeled bin replacement.	23.50	<b>24.75</b>
240l grey wheeled bin replacement (if qualify)	29.00	<b>31.20</b>
240l green wheeled bin replacement (if they have a current subscription)	26.00	<b>27.95</b>

<b>TRADE WASTE</b>		<b>Existing Charge 2023-2024</b>	<b>Proposed Charge 2024-2025</b>
<b>GREEN SACKS</b>			
Per pack of 25		77.50	<b>82.50</b>
Trade waste: Recycling sacks per 25		On hold – service not yet live	<b>On hold – service not yet live</b>
<b>WHEELED BINS</b>			
<b>Commercial Per lift:</b>	1100 litre capacity	21.15	<b>23.26</b>
	660 litre capacity	14.50	<b>15.96</b>
	360 litre capacity	9.50	<b>10.45</b>
	240 litre capacity	7.60	<b>8.36</b>
<b>Schools &amp; Not-for-profit Organisations</b> <b>NB</b> Collection charge only per lift:			
	1100 litre capacity	10.60	<b>11.40</b>
	660 litre capacity	9.10	<b>9.80</b>
	360 litre capacity	6.40	<b>6.90</b>
	240 litre capacity	6.10	<b>6.55</b>

The following charges are subject to VAT:

<b>COMMERCIAL WASTE</b>			
<b>CLINICAL WASTE</b>	<b>Existing Charge 2023-2024 inclusive of VAT £</b>	<b>Proposed Charge 2024-2025 exclusive of 20% VAT £</b>	<b>Proposed Charge 2024-2025 inclusive of 20% VAT and rounded £</b>
<b>Collection of each yellow sack per annum</b>	620.00	570.00	<b>684.00</b>



## CEMETERIES

These charges apply to purchasing the Exclusive Right of Burial (including ashes) before or after death of a resident in the Derbyshire Dales District Council area and in the case of a stillborn child where one of the parents was resident at the time of interment.

### Double Fees

Where the Exclusive Right of Burial is purchased for a non-resident of the Derbyshire Dales, fees for all services will be doubled ie for all interments; for the Right to Erect a Memorial; for the right to fix plaques or reserve spaces in a Garden of Remembrance; for the erection of memorials and for additional inscriptions. The fees will not be doubled where the Exclusive Right of Burial was purchased at the single fee at an earlier date. The appropriate Officer of the Council has the discretion to waive these double fees when there are grounds to do so, i.e. past residency in the District or other connections.

<b>EXCLUSIVE RIGHT OF BURIAL</b>	<b>Existing Charge 2023/2024 £</b>	<b>Proposed Charge 2024/2025 £</b>
<b>Earthen Graves</b>		
<b>For the exclusive right of burial for a period not exceeding 100 years:</b>		
a) grave size 2.4m x 1.2m	724.25	<b>796.00</b>
b) grave size 2.4m x 2.4m	1362.80	<b>1499.00</b>
<b>Garden of Remembrance</b>		
For the exclusive right of burial of cremated remains for a period not exceeding 100 years, in an earthen grave not exceeding 450mm x 600mm	233.25	<b>256.50</b>

### INTERMENTS

The fees indicated:

- a) include the digging of the grave;
- b) apply only where the interment is made between the hours of:
  - 9:30am – 1.30pm, Mondays – Thursdays;
  - 9.30am – 12.30pm, Fridays (excluding Bank and public holidays)';
  - Additional fee for outside the above hours will apply.
  - or on the certificate of a Coroner or Registered Medical Practitioner that immediate interment is necessary.
- c) Apply provided that the interment is made within fifteen minutes of the time arranged with Derbyshire Dales District Council. If not, an additional charge of **£18.90** (£17.25 in 2023/24) is payable per fifteen minutes

<b>INTERMENT IN ANY GRAVE</b>	<b>Existing Charge 2023/2024 £</b>	<b>Proposed Charge 2024/2025 £</b>
<b>All of the following fees for cemeteries fall outside the scope of VAT, unless stated</b>		
a) of the body of a stillborn child or of a child whose age at the time of death did not exceed <b>one month</b> .	No Charge	<b>No Charge</b>
b) of the body of a child whose age at the time of death exceeded one month but did not exceed <b>16 years</b> .	128.45	<b>141.00</b>
c) of the body of a person whose age at the time of death exceeded <b>16 years</b> .	813.25	<b>894.50</b>
Interment of cremated remains	171.15	<b>188.00</b>
Turfing of grave after interment on request	54.10	<b>59.50</b>
<b>SCATTERING OF ASHES</b>		
In the case of purchased graves, or in the Garden of Remembrance: Fee for right to scatter ashes	60.30	<b>62.00</b>
<b>LONG-TERM MEMORIALS IN GARDENS OF REMEMBRANCE</b>		
Please Note: Within the designated lawn sections, only one stone vase or block is permitted per plot, not exceeding 200mm in height and 200mm in width.		
Right to Erect a Memorial on a grave for cremated remains with respect to which an exclusive right of burial has been granted	78.30 No VAT	<b>86.00</b> No VAT
Approval and Fixing of a memorial plaque (150mm x 75mm) at ground level (cost of plaque to be added)	78.30 Incl VAT (plus cost of plaque)	<b>86.00</b> Incl VAT (plus cost of plaque)
Supply of a stone slab level with the surrounding ground for the fixing of a memorial plaque including installation	100.30 (incl VAT)	<b>110.00</b> (incl VAT)
Approval and Fixing of a memorial plaque (150mm x 75mm) for the Memorial Wall, including fee for space (cost of plaque to be added)	78.30 Incl VAT (plus cost of plaque)	<b>86.00</b> Incl VAT (plus cost of plaque)

<b>LONG-TERM MEMORIALS IN GARDENS OF REMEMBRANCE</b>	<b>Existing Charge 2023/2024 £</b>	<b>Proposed Charge 2024/2025 £</b>
Reservation of up to 3 plaque spaces under the first plaque on the memorial wall (fee per space)	20.40	<b>22.00</b>
Permission for erection of a vase not exceeding 300mm in height, including first inscription	78.30	<b>86.00</b>
Permission for kerb or border stones enclosing a space not exceeding 450mm x 600mm including first inscription	78.00	<b>86.00</b>
Permission for each inscription after the first on vases, kerbs, border stones, etc.	71.60 (Incl. VAT)	<b>78.50</b> (Incl. VAT)
<b>LONG-TERM MEMORIALS ON EARTHEN GRAVES</b>		
Please Note: Within the designated lawned sections, the only long-term memorial permitted on a grave is a single headstone.		
Right to Erect a Memorial on a grave in respect of which an exclusive right of burial has been granted	193.20 No VAT	<b>212.50</b> <b>No VAT</b>
Permission for a memorial headstone not exceeding 1 metre in height and 900mm in width, and including the cost of the foundation already provided	279.30	<b>307.00</b>
Permission for a memorial headstone not exceeding 1 metre in height and 900mm in width, in those areas where <b>no</b> concrete foundation is provided	90.09	<b>98.00</b>
Permission for a flat stone or tablet, level with surrounding ground not exceeding 2.4m x 1.2m, including first inscription	95.70	<b>105.20</b>
Permission for kerb or border stones enclosing a space not exceeding 2.4m x 1.2m, including first inscription	164.45	<b>180.90</b>
Permission for a vase not exceeding 300 mm in height, including first inscription	78.30	<b>86.00</b>
Permission for each inscription after the first	71.60 (Incl. VAT)	<b>78.50</b> (Incl. VAT)

<b>ASSISTED BURIALS</b>	<b>Existing Charge 2023/2024 £</b>	<b>Proposed Charge 2024/2025 £</b>
Standard Charge (Minimum)	445.83	<b>490.00</b>
<b>RECORD SEARCHES</b>		
Record Searches	14.88	<b>16.30</b>
<b>MEMORIAL BENCHES</b>	<b>Existing Charge 2023/2024 £</b>	<b>Proposed Charge 2024/2025 £</b>
Memorial Bench	£537.25 No VAT	£537.25 No VAT
Installation and administration	£450.00 No VAT	£450.00 No VAT
Plaque 100x50	£51.95 Incl. VAT	£51.95 Incl. VAT
Plaque 150x50	£56.95 Incl. VAT	£56.95 Incl. VAT
Plaque 125x75	£62.00 Incl. VAT	£62.00 Incl. VAT
Plaque 150x75	£67.05 Incl. VAT	£67.05 Incl. VAT
Installation of New Plaque	£50.00 Incl. VAT	£50.00 Incl. VAT

## AGRICULTURAL BUSINESS CENTRE: ROOM HIRE

<b>Livestock Markets and Farmers' Markets</b>	<b>Existing Charge 2023-2024 inclusive VAT</b>	<b>Proposed Charges 2024-2025 exclusive 20% VAT</b>	<b>Proposed Charges 2024-2025 inc. of 20% VAT &amp; rounded £</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Conference Room</b>			
Hire per Day	272.20	226.83	272.20
Hire per Half Day	141.00	117.50	141.00
Hire per Hour	45.80	38.17	45.80
Hire per Evening/Weekend	20% applied to charges for half day/full day		
Maximum discount for non-commercial local organisations 40%			
<b>Conference Room under 20 attendees</b>			
Hire per Day	141.00	117.50	141.00
Hire per Half Day	72.80	60.67	72.80
Hire per Hour	22.90	19.08	22.90
Hire per Evening/Weekend	20% applied to charges for half day/full day		
Maximum discount for non-commercial local organisations 40%			
<b>Meeting Room 2</b>			
Hire per Day	74.55	65.25	78.30
Hire per Half Day	38.65	33.83	40.60
Hire per Hour	14.60	12.79	15.35
Hire per Evening/Weekend	20% applied to charges for half day/full day		
Maximum discount for non-commercial local organisations 40%			
<b>Concourse</b>			
Hire per Day	285.80	250.08	300.10
Hire per Half Day	148.05	129.54	155.45
Hire per Hour	48.40	42.08	50.50
Hire per Evening/Weekend	20% applied to charges for half day/full day		
Trade Display on Market Day	38.65	33.50	40.20
Maximum discount for non-commercial local organisations 40%			

This page is intentionally left blank

## STALL MARKETS AND FARMERS' MARKETS

(All Stall Market charges are exempt from VAT)

<b>Bakewell Stall Market</b>	<b>Existing Charge 2023/24</b>	<b>Proposed Charge 2024/25</b>
	<b>£</b>	<b>£</b>
<b>Bakewell Market</b>		
9ft Stall	<b>26.30</b>	<b>26.30</b>
12ft Stall	<b>34.20</b>	<b>34.20</b>
Butcher's Lorry	<b>77.20</b>	<b>77.20</b>
Fast Food Catering Trailer	<b>38.50</b>	<b>38.50</b>
Hot Drinks Trailer	<b>34.20</b>	<b>34.20</b>
Charges per additional foot	<b>3.90</b>	<b>3.90</b>

<b>CASUAL TRADERS</b>		
Fee per stall (Stall fee as above to be added to this fee)	<b>5.00</b>	<b>5.50</b>
<b>CHARITY MARKET STALL – NOT FOR PROFIT ORGANISATIONS</b>		
Hire of stall	<b>8.90</b>	<b>8.90</b>
<b>TRADER PARKING</b>		
Parking for Stall Market Traders (per vehicle)	<b>4.20</b>	<b>4.50</b>

<b>Bakewell ABC Farmers' Markets</b>	<b>Existing Charge 2023-2024 inclusive VAT</b>	<b>Proposed Charges 2024-2025 exclusive 20% VAT</b>	<b>Proposed Charges 2024-2025 inc. of 20% VAT &amp; rounded</b>
	£	£	£
<b>Farmers' Market Stalls</b>			
4.5 foot stall	17.70	14.75	17.70
6 foot stall	22.30	18.58	22.30
9 foot stall (Standard)	35.00	29.17	35.00
12 foot stall	44.80	37.33	44.80
2 foot extension table	4.80	4.00	4.80
<b>Farmers' Market Parking</b>			
Parking for Farmers' Market Traders (per vehicle)	4.20	3.75	4.50



# PARKS, RECREATION GROUNDS AND PUBLIC SPACES

(VAT no longer applies)

ACTIVITY	Existing Charge 2023-24 £	Proposed Charge 2024-2025 rounded £
<b>Tennis Court / Multi Use Games Areas</b>		
Hire of single tennis court/MUGA per hour		
Full	7.33	<b>8.10</b>
Concession	3.79	<b>4.05</b>
Hire of double tennis court/double MUGA per hour		
Full	14.33	<b>15.80</b>
Concession	7.33	<b>7.90</b>
Hire of single tennis court in Hall Leys Park Matlock per hour		
Special	4.17	<b>5.00</b>
<b>Bowling Greens</b>		
Reservation per club per hour		
Full	6.58	<b>7.20</b>
Full Concession	3.38	<b>3.70</b>
Season Ticket		
Full	47.08	<b>51.70</b>
Full Concession	23.46	<b>25.85</b>
Lease per season of Bakewell Bowling Green		
Special	123.06	<b>135.35</b>
<b>Sports Pitches and Pavilions</b>		
Football and Rugby - Hire of pitch per match (inc marking out, preparation & use of pavilion) (inc marking out, preparation & use of pavilion)		
Full	43.13	<b>49.70</b>
Concession	23.46	<b>24.85</b>
Cricket - Hire of pitch per match (inc marking out, preparation and use of pavilion)		
Full	46.04	<b>49.70</b>
Concession	23.46	<b>24.85</b>
Football and Rugby - Hire of Pitch, per hour for Training (inc pavilion)		
Full	33.79	<b>37.10</b>
Concession	17.83	<b>18.55</b>
Pavilion - Hire of pavilion (inc changing rooms)		
Full	14.25	<b>15.70</b>
Concession	7.33	<b>7.85</b>
Croquet Lawn - Hire of Croquet Lawn (inc marking out, preparation and use of pavilion)		
Full	22.17	<b>24.40</b>
Concession	11.04	<b>12.20</b>
Artificial Cricket wicket - Hire of Artificial Cricket Wicket per match (no pavilion)		
Full	32.38	<b>34.00</b>
Concession	16.08	<b>17.00</b>
ASHBOURNE RECREATION GROUND - FOOTBALL AND RUGBY PITCH - Hire of pitch per match (inc marking out, preparation) - no pavilion		
Full	28.88	<b>34.00</b>
Concession	16.17	<b>17.00</b>
ASHBOURNE RECREATION GROUND - FOOTBALL AND RUGBY PITCH - Hire of Pitch, per hour for Training - no pavilion		
Full	19.50	<b>21.40</b>

Concession	10.54	<b>10.70</b>
<b>ASHBOURNE RECREATION GROUND – CRICKET PITCH - Hire of Pitch, per hour for Training - no pavilion</b>		
Full	New	<b>21.40</b>
Concession	New	<b>10.70</b>
<b>ASHBOURNE RECREATION GROUND – CRICKET PITCH – Hire of Pitch for a match – No Pavilion</b>		
Full	New	<b>34.00</b>
Concession	New	<b>17.00</b>

<b>FIXED PENALTY NOTICES</b>	<b>Existing Charge 2023/2024 £</b>	<b>Proposed Charge 2024/2025 £</b>
<b>Public Spaces protection Order – if paid within 14 days</b>	£100	£100
<b>Public Spaces protection Order – if paid within 12 days</b>	£75	£75
<b>Environment Protection Act 1990 (Littering) – if paid within 14 days</b>	£100	£100
<b>Environment Protection Act 1990 (Littering) – if paid within 12 days</b>	£75	£75

## CAR PARKS

	Existing Charge 2023-2024 inclusive VAT £	Proposed Charge 2024-2025 exclusive of 20% VAT £	Proposed Charge 2024-2025 inclusive of 20% VAT £
Discount Season Ticket by Zone – 6 months	<b>277.65</b>	231.37	<b>277.65</b>
Discount Season Ticket by Zone – 12 months	<b>555.30</b>	462.73	<b>555.30</b>
Discount Season Ticket District Wide – 6 months	<b>347.05</b>	289.21	<b>347.05</b>
Discount Season Ticket District Wide –12 months	694.10	578.42	<b>694.10</b>
Rover Pass - 3 Day	15.00	12.50	<b>15.00</b>
Rover Pass - 7 Day	32.00	26.67	<b>32.00</b>
Annual Permit for Residents Only Car Park - Full	<b>372.75</b>	310.63	<b>372.75</b>
Annual Permit for Residents Only Car Park – Daytime (08.30–17.30) weekdays	216.40	180.34	<b>216.40</b>
Annual Permit for Residents Only Car Park – Evening/weekend – all hours outside those covered by the 'Daytime Permit'	167.80	139.83	<b>167.80</b>
Annual Permit for Residents Reserved Bay <i>(to be phased out by April 2021 – C&amp;E Minute 242/1)</i>	372.75	310.63	<b>372.75</b>

	<b>Existing Charge 2023-2024 inclusive VAT £</b>	<b>Proposed Charge 2024-2025 exclusive of 20% VAT £</b>	<b>Proposed Charge 2024-2025 inclusive of 20% VAT £</b>
Replacement or second Residents Free Parking Concession Badge – if purchased <u>before</u> 1 <sup>st</sup> October ( <b>Fixed Price</b> )	60.00	50.00	<b>60.00</b>
Replacement or second Residents Free Parking Concession Badge – if purchased <u>from</u> 1 <sup>st</sup> October ( <b>Fixed Price</b> )	40.00	33.33	<b>40.00</b>

\*The base rates 2018 were set by the Community & Environment Committee on 5 December 2017 and are (with the exception of Residents Free Parking Concession Badges) to be subject to annual fees and charges review.

	<b>Existing Charge 2023-2024 £</b>	<b>Proposed Charge 2024-2025 inclusive of 20% VAT £</b>
Supply of CCTV Footage	100.00	100.00
Charge for Officer time per hour (New charge)	0.00	£50.00

## EVENTS

	Existing Charge 2023-2024 inclusive of 20% VAT £	Proposed Charge 2024-2025 exclusive of 20% VAT £	Proposed Charge 2024-2025 inclusive of 20% VAT and rounded £
<b>OPENING, CLOSING AND CLEANSING OF PUBLIC TOILETS</b> Free during normal working hours			
Charge for each additional hour outside normal working hours: After 3:30pm Monday to Friday, or Saturdays	30.25	25.83	<b>31.00</b>
Charge for each additional hour outside normal working hours: Sundays or Bank Holidays	37.30	31.67	<b>38.00</b>
<b>EMPTYING LITTER BINS AND LITTER PICKING</b>			
During working hours : Charge per person per hour.	23.95	20.42	<b>24.50</b>
Charge for each person per hour outside normal working hours: After 3:30pm Monday to Friday, or Saturdays	32.45	27.50	<b>33.00</b>
Charge for each person per hour outside normal working hours: Sundays or Bank Holidays	41.05	35.00	<b>42.00</b>
<b>HIRE OF WHEELED BINS</b>			
Hire of wheeled bin per week plus cost of delivery, collection and washing	14.00 Minimum charge £209.80	12.08 Minimum charge £178.33	<b>14.50</b> <b>Minimum charge</b> <b>£214.00</b>

This page is intentionally left blank

Appendix 9  
CORPORATE AND CUSTOMER SERVICES

LOCAL LAND CHARGES

Charge	Existing Charge 2023-2024 inclusive of 20% VAT £	Proposed Charge 2024-2025 exclusive of 20% VAT £	Proposed Charge 2024-2025 inclusive of 20% VAT and rounded £
Official Search Fee (LLC1 + Con29R)	£180.20	170.00	£197.00
LLC1 only	£32.00	£35.00	No VAT
Con29R	£148.20	£135.00	£162.00
Con 29O (per question)	£13.20	£12.00	£14.40
Con 29O County Council question (per question)	£32.40	£28.75	£34.50
Additional Parcel of Land	£13.80	£12.50	£15.00
Written enquiries (solicitors' own questions)	£15.00	£13.50	£16.20
Personal Search of the Register	£0	£0	£0

LEGAL

Charge	Existing 2023/24	Proposed 2024/25
Authorising proof of life for overseas pensioners	£32.00	£35.00
Planning Obligations - S.106 Fees	<p>The agreements are drafted and finalised externally. The estimated fee per agreement is £2000.</p> <p>All fees are based on the following hourly rates:</p> <p>Partner - £160 Senior Solicitor - £160 Associate - £135 Solicitor - £125 Trainee - £90</p> <p>The agreements are drafted and finalised</p>	<p>The agreements are drafted and finalised externally. The estimated fee per agreement is £2000.</p> <p>All fees are based on the following hourly rates:</p> <p>Partner - £172 Senior Solicitor - £172 Associate - £145 Solicitor - £135 Trainee - £97</p> <p>The agreements are drafted and finalised</p>

	internally. The estimated fee per agreement is £1000 minimum. Charging rate £160 p/h  Disbursements are charged separately.	internally. The estimated fee per agreement is £1080 minimum. Charging rate £172 p/h  Disbursements are charged separately.
<b>Charge</b>	<b>Existing 2023/24</b>	<b>Proposed 2024/25</b>
Planning Obligations S.106 Discharge	£415	£448
Planning Obligations S.106 Deed of Variation	£415	£448
Easements, Covenants and one off Deeds	£405	£437
Commercial Licences to occupy Council Land	£290	£313
Licences to occupy Council Land for community benefit	£87	£93
Legal fee earning rate per hour	£160	£172
Litigation (Criminal and Civil) Solicitors and Legal Executives rate per hour	N/A	Over <b>8 years'</b> experience - £172 Over <b>4 years'</b> experience - £145 Other - £135 Trainee - £97
Registration fee (being notified of a completed registration by the other party Example, but not limited to an underlease)	N/A	£86
Leases and renewals	£405 plus £160 p/h after 5 hours	£437 plus £172 p/h after 5 hour
Licences to assign, sublet, carry out works under a Lease	£349	£376
Emergency work licences relating to Public Safety	Nil	Nil
Sales of Council Land, Sales by Land by Tender and Sales of Land by Auction	Maximum of 1.5% of the sale price (subject to minimum of £507)	Maximum of 1.5% of the sale price (subject to minimum of £547)
Transfer of land for affordable housing at nil consideration in exchange for nomination rights	£563 and £160 p/h after 5 hours	£608 and £172 p/h after 5 hours
Temporary (<1 year) installations on Council Land by Town or Parish Councils	Reduction of 33% of standard fee	Reduction of 33% of standard fee
Community Asset Transfers	Nil charge	Nil charge
Footpath Diversion Orders	Unopposed Order Preparation of Order £1,633  Plan £180 Actual advertising costs	Unopposed Order Preparation of Order £1,763  Plan £194 Actual advertising costs



	<p>£790 (estimate incl VAT) Total £2,603</p> <p>Opposed Orders £2,603 (As above) plus Consultant's fee at £160 per hour for time spent:</p> <ul style="list-style-type: none"> <li>• dealing with objections, representations and associated correspondence</li> <li>• negotiating to resolve objections</li> <li>• submitting the order to the Planning Inspectorate where objections are maintained and preparing the statement of case</li> <li>• liaison with the Planning Inspectorate and representing the Council in the determination of the case by means of a hearing, public inquiry or written representations.</li> </ul>	<p>£853 (estimate incl VAT) Total £2,811</p> <p>Opposed Orders £2,811 (As above) plus Consultant's fee at £172 per hour for time spent:</p> <ul style="list-style-type: none"> <li>• dealing with objections, representations and associated correspondence</li> <li>• negotiating to resolve objections</li> <li>• submitting the order to the Planning Inspectorate where objections are maintained and preparing the statement of case</li> <li>• liaison with the Planning Inspectorate and representing the Council in the determination of the case by means of a hearing, public inquiry or written representations.</li> </ul>
--	--	--

## ROAD CLOSURES

Charge	Existing 2023/24	Proposed 2024/25
Events where there is a charge for participation or for spectators	£68.00	£73.40
Events that primarily benefit businesses or other commercial organisations	£68.00	£73.00
Carnivals/fetes or any other events that raise funds through collections/donations	£24.50	£26.00
Remembrance/well dressing or other commemorative parades	£0	£0

## STREET NAMING AND NUMBERING

Charge	Existing 2023/24	Proposed 2024/25
Allocate a house name, rename or remove a house name to an existing property  Change a company name on a property  Allocate a house number, renumber or remove a house number of an existing property	£66.00	£72.50
Naming or renaming of new streets and numbering or renumbering new / existing properties on that street	£197.50	£217.00
Naming of new streets at resident's request	£394.80	£434.50
Naming and numbering of new properties or properties on an existing street:		
1 property 2 – 5 properties 6 – 10 properties 11 – 25 properties 26 – 50 properties 51 – 100 properties 101+ properties	£98.70 £132.00 £197.50 £264.00 £328.30 £525.70 £984.70	£108.50 £145.00 £217.00 £290.50 £361.00 £578.50 £1,083.00
Division of Properties – same as numbering of new properties (and based on number of properties created including the original)	See above	See above
Confirmation of address to solicitors / conveyancers / occupiers or owners ( <i>Royal Mail – external confirmation</i> )	£33.90	£37.50
Renumbering of scheme following development re-plan (after notification of numbering scheme issued)	£132.00 + £14.30	£145.00 + £15.75
Address issued / confirmation when replacement property built (as the original address will have been removed following the demolition as address may be different to original property) reactivation of address	£66.00	£72.50
1 <sup>st</sup> Set of Nameplates erected for each new Street	£287.50	£316.00

If two nameplates required	£403.00		£443.50	
For each additional nameplate that is required to be erected at other junctions and entrances onto the new street	£132.00		£145.00	
Challenges / requests / revisions to existing street naming and numbering schemes Confirm minimum charge	£33.90 charge	minimum	£37.50 charge	minimum
Rectification of existing address / postcode issues where no change involved Confirm minimum charge	£33.90 charge	minimum	£37.50 charge	minimum

## S106 MONITORING

Charge	Existing 2023/24	Proposed 2024/25
Band 1: 1-5 dwellings of up to 1ha of land - Monitoring fee per covenant	£366.00	£402.60
Band 2: 6-10 dwellings or up to 3ha of land - monitoring fee per covenant	£440.00	£484.00
Band 3: 11-49 dwellings or up to 10ha of land - monitoring fee per covenant	£514.00	£565.40
Band 4: 50+ dwellings or more than 10ha of land - Monitoring fee per covenant	£660.00	£726.00

This page is intentionally left blank

## ENVIRONMENTAL HEALTH

	Existing Charge 2023-2024 inclusive of 20% VAT where applicable  £	Proposed Charge 2024- 2025 exclusive of 20% VAT  £	Proposed Charge 2024-2025 inclusive of 20% VAT (where applicable) and rounded £
<b>FOOD HYGIENE</b>			
<b>HEALTH CERTIFICATES</b> Standard Charge (VAT not applicable)	51.45	N/A	54.60
Additional hours for Administration of (per hour)	29.65	N/A	31.50
On-site Inspection by Authorised Food Safety Officer (per hour on-site for any non- statutory functions i.e. export health certificate)	58.80	N/A	62.40
<b>HOUSING (Outside the scope of VAT)</b>			
<b>HOUSES IN MULTIPLE OCCUPATION</b>  HMO Licensing	552.90	N/A	586.10
<b>HOUSING ENFORCEMENT NOTICES (Outside the scope of VAT)</b>			
Housing Act 2004 sections 11 & 12: Improvement Notice	305.55	N/A	323.90
Housing Act 2004 sections 20 & 21: Prohibition Order	305.55	N/A	323.90
Housing Act 2004 sections 28 & 29: Hazard Awareness Notice	305.55	N/A	323.90
Housing Act 2004 section 40 Emergency Remedial Action	305.55	N/A	323.90
Housing Act 2004 section 43: Emergency Prohibition Order	305.55	N/A	323.90
Housing Act 1985 section 265 Demolition Order	305.55	N/A	323.90

	<b>Existing Charge 2023-2024 inclusive of 20% VAT</b>	<b>Proposed Charge 2024- 2025 exclusive of 20% VAT</b>	<b>Proposed Charge 2024-2025 inclusive of 20% VAT (where applicable) and rounded</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>PRIVATE WATER SUPPLIES</b> (Outside the scope of VAT)			
Risk Assessment	<b>465.80</b>	N/A	<b>493.75</b>
Desktop Risk Assessment	<b>193.60</b>	N/A	<b>205.22</b>
Sampling Visit	<b>63.60</b>	N/A	<b>67.42</b>
Investigation	<b>102.05</b>	N/A	<b>108.17</b>
Granting an authorisation	<b>48.30</b>	N/A	<b>51.20</b>
Analysing a sample under Regulation 10	<b>Lab Charge</b>	Lab Charge	<b>Lab Charge</b>
Analysing a check monitoring sample	<b>Lab Charge</b>	Lab Charge	<b>Lab Charge</b>
Analysing an audit monitoring sample	<b>Lab Charge</b>	Lab Charge	<b>Lab Charge</b>

## ANIMAL WELFARE & MISCELLANEOUS LICENSING

(The following fees fall outside the scope of VAT with the exception of Vets' Fees)

<b>ANIMAL WELFARE</b>	<b>Existing Charge 2023-2024 £</b>	<b>Proposed Charge 2024-2025 rounded + inclusive of VAT where applicable £</b>
<p><b>Dangerous Wild Animals Act 1976</b></p> <p>New application for licence to keep a dangerous wild animal as defined in Schedule</p> <p>Renewal of licence to keep a dangerous wild animal as defined in Schedule</p>	<p><b>201.00</b> Plus Vet Fees and VAT on Vets Fees and arrangement fee of <b>£24.00 + VAT = £28.80</b></p> <p><b>167.80</b> Plus Vet Fees and VAT on Vets Fees and arrangement fee of <b>£24.00 + VAT = £28.80</b></p>	<p><b>213.00</b> Plus Vet Fees and VAT on Vets Fees and arrangement fee of <b>£25.83 + VAT = £31.00</b></p> <p><b>178.00</b> Plus Vet Fees and VAT on Vets Fees and arrangement fee of <b>£25.83 + VAT = £31.00</b></p>
<p><b>Zoo Licensing Act 1981</b></p> <p>Licence to operate a Zoo</p>	<p><b>371.00</b> Plus annual Vet Fees and VAT on Vets Fees and arrangement fee of <b>£24.50 + VAT = £29.40</b></p>	<p><b>394.00</b> Plus annual Vet Fees and VAT on Vets Fees and arrangement fee of <b>£25.83 + VAT = £31.00</b></p>

<b>ANIMAL ACTIVITY</b>	<b>Existing Charge 2023-2024 £</b>	<b>Proposed Charge 2024-2025 £</b>
Application for new licence	353.90	<b>375.15</b>
Fee for grant of licence (only charge if licence is granted)	85.60	<b>90.00</b>
Application fee to renew licence	353.90	<b>375.15</b>
Fee for grant of renewal of licence (only charge if licence is granted)	85.60	<b>90.00</b>
Variation of licence (administration only)	28.60	<b>30.50</b>
Variation of licence (administration and inspection)	142.80	<b>151.50</b>
Re-rating inspection	114.15	<b>121.00</b>
Appeal inspection	114.15	<b>121.00</b>

<b>MISCELLANEOUS</b>	<b>Existing Charge 2023-2024 £</b>	<b>Proposed Charge 2024-2025 (VAT not applicable) £</b>
<b>Local Government (Miscellaneous Provisions) Act 1982 as amended by Local Government Act 2003</b> Registration of Persons and Premises to allow Practice of Acupuncture, Semi-Permanent Skin Colouring, Cosmetic Piercing and Electrolysis	<b>98.20</b> (separate registrations required for person and premises)	<b>104.10</b> (separate registrations required for person and premises)
<b>Local Government (Miscellaneous Provisions) Act 1982</b> Licence to Operate a Sex Establishment  Licence to Operate a Sex Entertainment Venue	<b>2420.00</b>  <b>2420.00</b>	<b>2,565.00</b>  <b>2,565.00</b>
<b>Local Government (Miscellaneous Provisions) Act 1982</b> Street Trading Consent	<b>66.15</b>	<b>70.50</b>
<b>Public Health Acts Amendment Act 1907</b> Licence to Operate Pleasure Boats Pleasure Boat and Vessel Licence	<b>45.70</b>  <b>45.70</b>	<b>48.50</b>  <b>48.50</b>
<b>Scrap Metal Dealers Act 2013</b> Site Licence (3 years) – New/Renewal Site Licence (3 years) – Variation Collectors Licence (3 years)	<b>375.00</b>  <b>177.10</b>  <b>211.25</b>	<b>397.50</b>  <b>188.00</b>  <b>224.00</b>
<b>Business and Planning Act 2020</b> Pavement Licence	<b>100.00</b>	<b>100.00</b> Maximum fee permitted



## Hackney Carriage and Private Hire – Taxi Licensing

(All of these fees fall outside the scope of VAT, except sundry items).

	Existing Charge 2023/2024	Proposed Charge 2024/2025
<b>Private Hire Operator's Licence - (Renewable every 5 years)</b>		
Application Fee	<b>£510.00</b>	<b>£540.60</b>
Criminal Record Disclosure (Basic)	Fee set by Disclosure and Barring Service (DBS)	(DDDC will charge an admin fee if assisting – see Driver's Licence below).
** Operator will need a criminal record check, if not already a licensed driver with the District Council with a current Enhanced Disclosure Certificate and signed up to the DBS on-line update service		
<b>Vehicle Licence – (Renewable every year and includes 2 inspections)</b>		
Hackney Carriage Licence Application Fee	£380.00	<b>£402.80</b>
Private Hire Vehicle Licence Application Fee (Includes PHVs - Contract Only)	£380.00	<b>£402.80</b>
Hackney Carriage or PHV Licence (12 month licence) - Brand new vehicle - no initial inspection required	£304.00	<b>£322.00</b>
<b>Vehicle Licence – (6 month licence)</b>		
Hackney Carriage/PHV 6-month licence – no inspection required [Includes PHV Contract Only licences]	<b>N/A</b>	<b>£200.00</b>
Hackney Carriage/PHV 6-month licence with inspection on application	<b>N/A</b>	<b>£280.00</b>
<b>Vehicle Licence (miscellaneous charges)</b>		
Vehicle FULL Re-test (3 or more items requiring attention)	£76.00	<b>£80.60</b>
Vehicle MINOR re-test (2 items or less requiring attention)	£36.25	<b>£38.50</b>
<b>Refund</b> of vehicle test if vehicle sold or licence is surrendered within 6 months of being licensed	£76.00	<b>£80.60</b>
Vehicle Transfer	£39.00	<b>£41.50</b>
Meter Test (if seal is broken – requiring checking at Testing Depot)	£39.00	<b>£41.50</b>
Breaking an Appointment (without 24 hours notification)	£39.00	<b>£41.50</b>

Trailer and Top Box Test	£39.00	<b>£41.50</b>
Administration Fee to be charged if licence not issued/ or to be deducted from application fee refund	£25.00	<b>£26.50</b>

## Hackney Carriage and Private Hire – Taxi Licensing

	Existing Charge 2023/2024	Proposed Charge 2024/2025
<b>Driver Licence (Renewable every 3 years)</b>		
Application for new/renewal of HC/PHV Driver Licence	£205.00	<b>£217.50</b>
DBS Enhanced Criminal Records Check - DDDC Administration Fee	£2.60	<b>£2.75</b>
Driver's Knowledge Test	£38.65	<b>£41.00</b>
Driver's Knowledge Test PHV Contract Only	£26.50	<b>£28.50</b>
Driver's Knowledge Test Cancellation Fee	£12.15	<b>£12.85</b>
<b>Sundries/Replacement</b>		
	<b>Prices include VAT</b>	
Driver's Badge	£3.90	<b>£4.10</b>
Driver's Badge Holder	£3.90	<b>£4.10</b>
Council Door Stickers (for front doors)	£12.15	<b>£12.85</b>
Licence plate for rear of vehicle	£11.05	<b>£11.75</b>
Licence plate fixings for rear licence plate	£2.80	<b>£2.95</b>
Licence plate for inside windscreen	£7.75	<b>£8.25</b>
Plastic wallet for windscreen plate	£2.00	<b>£2.15</b>
Duplicate licence (paper copy)	£12.15	<b>£12.85</b>

Appendix 11(c)

## GAMBLING LICENSING

(The following fees fall outside the scope of VAT).

GAMBLING ACT 2005 PREMISES LICENCES APPLICATIONS	Maximum Fees prescribed by regulations (Gambling Act 2005)	Existing Charge 2023/2024	Proposed Charge 2024/2025 plus %age and Rounded
<b>Small Casino</b>	<b>£</b>	<b>£</b>	<b>£</b>
New application	<b>8,000.00</b>	£7,965.00	<b>£8,000.00 (max)</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£2,500.00	<b>£2,500.00 (max)</b>
Annual Fee	<b>5,000.00</b>	£5,000.00 (max)	<b>£5,000.00 (max)</b>
Variation	<b>4,000.00</b>	£4,000.00 (max)	<b>£4,000.00 (max)</b>
Transfer	<b>1,800.00</b>	£1,656.00	<b>£1,755.00</b>
Reinstatement	<b>1,000.00</b>	£1,000.00 (max)	<b>£1,000.00 (max)</b>
Provisional Statement	<b>8,000.00</b>	£8,000.00	<b>£8,000.00 (max)</b>
Licence for Provisional Statement Holders	<b>3,000.00</b>	£2,999.85	<b>£3,000 (max)</b>
<b>Large Casino</b>			
New application	<b>10,000.00</b>	£9,754.00	<b>£10,000.00 (max)</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£4,877.00	<b>£5,000.00 (max)</b>
Annual Fee	<b>10,000.00</b>	£9,754.00	<b>£10,000.00 (max)</b>
Variation	<b>5,000.00</b>	£4,877.00	<b>£5,000.00 (max)</b>
Transfer	<b>2,150.00</b>	£1,952.00	<b>£2,069.00</b>
Reinstatement	<b>2,150.00</b>	£1,952.00	<b>£2,069.00</b>
Provisional Statement	<b>10,000.00</b>	£9,605.00	<b>£10,000.00 (max)</b>
Licence for Provisional Statement Holders	<b>5,000.00</b>	£4,820.00	<b>£5,000.00 (max)</b>
<b>Bingo Club</b>			
<b>New application</b>	<b>3,500.00</b>	£3,450.00	<b>£3,500.00 (max)</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£500.00	<b>£500.00 (max)</b>
Annual Fee	<b>1,000.00</b>	£1,000.00	<b>£1,000.00 (max)</b>
Variation	<b>1,750.00</b>	£1,725.00	<b>£1,750.00 (max)</b>
Transfer	<b>1,200.00</b>	£1,148.00	<b>£1,200.00 (max)</b>
Reinstatement	<b>1,200.00</b>	£1,148.00	<b>£1,200.00 (max)</b>

\*\*\* 1<sup>st</sup> Annual Fee is due 30 days after licence is granted, and annual fee is due on anniversary date of grant

<b>GAMBLING ACT 2005 PREMISES LICENCES APPLICATIONS</b>	<b>Maximum Fees prescribed by regulations (Gambling Act 2005)</b>	<b>Existing Charge 2023/24</b>	<b>Proposed Charge 2024/2025 plus %age and Rounded</b>
<b>Bingo Club (cont'd)</b>			
Provisional Statement	<b>3,500.00</b>	£3,300.00	<b>£3,498.00</b>
Licence for Provisional Statement Holders	<b>1,200.00</b>	£1,148.00	<b>£1,200.00 (max)</b>
<b>Betting Premises (excluding tracks)</b>			
New application	<b>3,000.00</b>	£2,705.00	<b>£2,687.00</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£300.00	<b>£300.00 (max)</b>
Annual Fee	<b>600.00</b>	£600.00	<b>£600.00 (max)</b>
Variation	<b>1,500.00</b>	£1,348.00	<b>£1,428.00</b>
Transfer	<b>1,200.00</b>	£1,050.00	<b>£1,113.00</b>
Reinstatement	<b>1,200.00</b>	£1,050.00	<b>£1,113.00</b>
Provisional Statement	<b>3,000.00</b>	£2,668.00	<b>£2,828.00</b>
Licence for Provisional Statement Holders	<b>1,200.00</b>	£1,050.00	<b>£1,113.00</b>
<b>Betting Tracks</b>			
New application	<b>2,500.00</b>	£2,250.00	<b>£2,385.00</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£451.00	<b>£478.00</b>
Annual Fee	<b>1,000.00</b>	£902.00	<b>£956.00</b>
Variation	<b>1,250.00</b>	£1,198.00	<b>£1,250.00 (max)</b>
Transfer	<b>950.00</b>	£902.00	<b>£950.00 (max)</b>
Reinstatement	<b>950.00</b>	£902.00	<b>£950.00 (max)</b>
Provisional Statement	<b>2,500.00</b>	£2,250.00	<b>£2,385.00</b>
Licence for Provisional Statement Holders	<b>950.00</b>	£942.00	<b>£950.00 (max)</b>
<b>Family Entertainment Centre (FEC)</b>			
New application	<b>2,000.00</b>	£1,800.00	<b>£1,908.00</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£375.00	<b>£375.00 (max)</b>
Annual Fee	<b>750.00</b>	£750.00	<b>£750.00 (max)</b>

\*\*\* 1<sup>st</sup> Annual Fee is due 30 days after licence is granted, and annual fee is due on anniversary date of grant thereafter.

<b>GAMBLING ACT 2005 PREMISES LICENCES APPLICATIONS</b>	<b>Maximum Fees prescribed by regulations (Gambling Act 2005)</b>	<b>Existing Charge 2023/24</b>	<b>Proposed Charge 2024/2025 plus %age and Rounded</b>
<b>Family Entertainment Centre (FEC)</b>			
Variation	<b>1,000.00</b>	£902.00	<b>£956.00</b>
Transfer	<b>50.00</b>	£50.00 (max)	<b>£50.00 (max)</b>
Reinstatement	<b>950.00</b>	£902.00	<b>£950.00 (max)</b>
Provisional Statement	<b>2,000.00</b>	£1,802.00	<b>£1,910.00</b>
Licence for Provisional Statement Holders	<b>950.00</b>	£902.00	<b>£950.00 (max)</b>
<b>Adult Gaming Centre (AGC)</b>			
New application	<b>2,000.00</b>	£1,802.00	<b>£1,910.00</b>
1 <sup>st</sup> Annual Fee ***	<b>50% of annual fee</b>	£450.00	<b>£477.00</b>
Annual Fee	<b>1,000.00</b>	£900.00	<b>£954.00</b>
Variation	<b>1,000.00</b>	£900.00	<b>£954.00</b>
Transfer	<b>1,200.00</b>	£1,200.00	<b>£1,200.00 (max)</b>
Reinstatement	<b>1,200.00</b>	£1,200.00	<b>£1,200.00 (max)</b>
Provisional Statement	<b>2,000.00</b>	£1,802.00	<b>£1,910.00</b>
Licence for Provisional Statement Holders	<b>1,200.00</b>	£1,192.00	<b>£1,200.00 (max)</b>

\*\*\* 1<sup>st</sup> Annual Fee is due 30 days after premises licence is granted, and annual fee is due on anniversary date of grant thereafter.

<b>GAMBLING ACT 2005 PREMISES LICENCES APPLICATIONS</b>	<b>Maximum Fees prescribed by regulations (Gambling Act 2005)</b>	<b>Existing Charge 2023/2024</b>	<b>Proposed Charge 2024/2025 plus %age and Rounded</b>
<b>Occasional Use Notices (OUNs)</b>	<b>No Fee Permitted</b>	No Fee Permitted	<b>No Fee Permitted</b>
<b>Temporary Use Notices (TUNs)</b>	<b>500.00</b>	£349.00	<b>£370.00</b>
<b>Notification of Change of Details</b>	<b>50.00</b>	£50.00 (max)	<b>£50.00 (max)</b>
<b>Copy of Licence/Notice</b>	<b>25.00</b>	£22.00	<b>£23.50</b>

This page is intentionally left blank

## REGULATORY SERVICES

### ESTATES AND FACILITIES

These fees are outside the scope of VAT

Charge	Current 2023/24	Proposed 2024/25
Easements, Covenants and one off Deeds	£285.25 plus £54.90 per hour after 5 hours	£308.00 plus £59.30 per hour after 5 hours
Commercial Licences to occupy Council Land	£285.25	£308.00
Licences to occupy Council Land for community benefit	£85.55	£92.40
Leases and renewals	£285.25 plus £54.90 per hour after 5 hours	£308.00 plus £59.30 per hour after 5 hours
Licences to assign, sublet, carry out works under a Lease	£285.25	£308.00
Sales of Council Land, Sales by Land by Tender and Sales of Land by Auction	Maximum of 1.5% of the sale price (subject to minimum of £285.25)	Maximum of 1.5% of the sale price (subject to minimum of £308.00)
Transfer of land for affordable housing at nil consideration in exchange for nomination rights	£285.25 and £54.90 p/h after 5 hours	£308.00 plus £59.30 per hour after 5 hours
Temporary (less than 1 year) installations on Council Land by Town and Parish Councils	Reduction of 33% on standard fee.	Reduction of 33% on standard fee.
Community Asset Transfers	Nil charge	Nil charge
Emergency Works Licences affecting public safety.	Nil charge	Nil charge

This page is intentionally left blank



## PRE-APPLICATION ADVICE

(The following fees are inclusive of VAT)

PRE-APPLICATION ADVICE	Existing Charge 2023-2024 £	Proposed Charge 2024-2025 rounded + inclusive of VAT £
<b>Planning Permission</b>		
Letter Fee	£30.87	<b>£33.00</b>
Letter and Meeting Fee	N/A	<b>N/A</b>
<b>Householder Proposals</b>		
Letter Fees	£61.53	<b>£65.00</b>
Letter and Meeting Fees	£123.17	<b>£131.00</b>
<b>Works to Listed Buildings</b>		
<b>Letter Fee-</b>		
Householder	£61.53	<b>£65.00</b>
Commercial	£123.17	<b>£131.00</b>
<b>Letter and Meeting Fee-</b>		
Householder	£184.70	<b>£196.00</b>
Commercial	£246.23	<b>£261.00</b>
<b>Advertisement Proposals (Per Site)</b>		
Letter Fee	£61.53	<b>£65.00</b>
Letter and Meeting Fee	N/A	<b>N/A</b>
<b>Change of Use (not Inc. dwellings, major development or engineering works)</b>		
Letter Fees	£123.17	<b>£131.00</b>
Letter and Meeting Fee	N/A	<b>N/A</b>
<b>All other uses/ buildings</b>		
<b>0 – 499 Sqm</b>		
Letter Fee	£123.17	<b>£131.00</b>
Letter and Meeting Fee	£184.70	<b>£196.00</b>
<b>500 – 999 sqm / Less than</b>	73	

<b>1Ha Or 0 – 3 dwellings (Outline less than 0.5Ha)</b>		
Letter Fee	£184.70	<b>£196.00</b>
Letter and Meeting Fee	£430.92	<b>£457.00</b>
<b>1,000 – 9,999 Sqm / 1 – 2 Ha Or 4 – 9 dwellings</b>		
Letter Fee	£369.34	<b>£392.00</b>
Letter and Meeting Fee	£615.62	<b>£653.00</b>
<b>10 – 99 Dwellings (Outline of 0.5 – 1.99 Ha)</b>		
Letter Fee	£615.62	<b>£653.00</b>
Letter and Meeting Fee	£923.37	<b>£979.00</b>
<b>99 – 199 Dwellings (Outline of 2 – 4 Ha)</b>		
Letter Fee	£800.21	<b>£848.00</b>
Letter and Meeting Fee	£1,080.03	<b>£1,145.00</b>
<b>All other uses: 10,000+ Sqm &gt; 4 Ha or &gt; 200 dwellings</b>		
Letter Fee	£923.37	<b>£979.00</b>
Letter and Meeting Fee	£1,231.11	<b>£1,305.00</b>
<b>Initial 'in principle' enquiry with email confirmation of meeting with limited up front information provided</b>		
Letter Fee	£369.34	<b>£392.00</b>
Letter and Meeting Fee	Email to Confirm	<b>Email to Confirm</b>

<p><b>Request for Information</b></p> <p>Confirmation of last known planning use of land and/or buildings</p> <p><b>Sites/ Buildings &lt; than 1000sq.m</b></p> <p>Letter Fee Letter and Meeting Fee</p> <p><b>Sites/ Buildings &gt; than 1000sq.m</b></p> <p>Letter Fee Letter and Meeting Fee</p> <p><b>Confirmation as to whether a building/ structure is deemed curtilage listed</b></p> <p>Letter Fee Letter and Meeting Fee</p>	<p>£30.87 N/A</p> <p>£61.53 N/A</p> <p>£30.87 N/A</p>	<p><b>£33.00</b> <b>N/A</b></p> <p><b>£65.00</b> <b>N/A</b></p> <p><b>£33.00</b> <b>N/A</b></p>
<p><b>Enquiries relating to the discharge of pre-commencement conditions</b></p> <p><b>Householder Applications</b></p> <p>Letter Fee Letter and Meeting Fee</p> <p><b>Other Applications</b></p> <p>Letter Fee Letter and Meeting Fee</p>	<p>£24.57 N/A</p> <p>£61.53 £92.40</p>	<p><b>£26.00</b> <b>N/A</b></p> <p><b>£65.00</b> <b>£98.00</b></p>
<p><b>Enquiries relating to minor amendments to approved developments and variation/amendments to S106 agreements</b></p> <p>Letter Fee Letter and Meeting Fee</p>	<p>£61.53 N/A</p>	<p><b>£65.00</b> <b>N/A</b></p>
<p><b>Additional letter and/or meeting</b></p> <p>Letter Fee Letter and Meeting Fee</p>	<p>Half original fee Half original fee</p>	<p><b>Half original fee</b> <b>Half original fee</b></p>

This page is intentionally left blank

## Derbyshire Dales District Council Equality Impact Assessment



Please refer to the guidance whilst completing this form.

Please contact Claire Allen [Claire.allen@derbyshiredales.gov.uk or 01269 761240] for support.

### 1. Outline

Information required	Detail
a. Title of policy, practice, service or function being assessed	<b>Dog Control</b>
b. Links to Service and/or Corporate Plan Ref/s	N/A
c. Name and Role of Officers conducting assessment	Claire Allen Corporate Policy Officer
d. Date of assessment	8 <sup>th</sup> February 2024
e. Reason for assessment	<p>DDDC is proposing to increase fees and charges across a number of services above the current rate of inflation. The recommended fees for dog control include an increase of around 10%. The fee increase reflects the increased cost of looking after stray dogs and it is recommended that this is passed on to owners.</p> <p>There is a new fee of £50 for a call out charge.</p> <p>Given the current levels of inflation and cost-of-living crisis, this may have significant impacts on different groups with protected characteristics. This EIA considers those impacts and identifies any possible mitigations.</p>
f. What is the purpose of this policy, practice, service or function? (specify aims and objectives)	Increased fees and charges for 2024/25 above the current rate of inflation will generate higher levels of income in real terms. This will assist in balancing the budget for 2024/25, given the significant inflationary increases on Council spending.

Information required	Detail
g. Are there any other organisations involved in its implementation?	Yes Crowfoot Kennels carry out the stray dog collection service on behalf of DDDC. They are involved in collection & return of stray dogs and may be responsible for collecting any fees due.
h. Likely customer groups to be impacted	Derbyshire Dales residents Visitors to the Derbyshire Dales area
i. Other stakeholders likely to be impacted	
<b>Which District Council departments are affected by the policy, practice, service or function?</b>	Community and Environmental Services
<b>Do any of the objectives directly support or hinder another Council activity?</b>	No

## 2. Assessing Relevance to the General Equality Duty

The General Equality Duty has three aims which require the District Council to have due regard to the need to:	Tick those which are relevant ✓
1. Eliminate unlawful discrimination (both direct or indirect), harassment and victimisation	✓
2. Advance equality of opportunity between all persons by <ul style="list-style-type: none"> <li>• removing or minimising disadvantages suffered by protected groups;</li> <li>• taking steps to meet the needs of people from protected groups where these are different from the needs of other people</li> <li>• encouraging people from protected groups to participate in public life or other activities where participation is disproportionately low</li> </ul>	✓
3. Foster good relations between different groups	

### 3. What existing information / data do you have / monitor about different diverse groups in relation to this policy, practice, service or function?

For example: previous EIA's, reports, consultation, surveys, demographic data etc.

Information / Data	Data source and date	Information relevant to proposed policy/service/function
<p>Office National Statistics 2021 Census  <a href="https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationandhouseholdestimatesenglandandwalescensus2021">https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationandhouseholdestimatesenglandandwalescensus2021</a>  <u>1</u></p> <p>Derbyshire Observatory  <a href="https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/Census2021_FirstReleaseDerbyshire.html#derbyshire-dales">https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/Census2021_FirstReleaseDerbyshire.html#derbyshire-dales</a></p>	<p>Office National Statistics population datasets – age, sex, households etc.</p> <p>Population figures by age, number of households, sex - Derbyshire Observatory; taken from Census 2011 - national survey of all households</p>	<p>The district of Derbyshire Dales is mainly rural with around 80% of its population living in rural settlements.</p> <p>The population of 71,681 is evenly spread geographically across the area.</p> <p>This figure is made up of 36,683 women and 34,998 men. Derbyshire Dales has 32,283 households - the smallest number of all Derbyshire districts.</p> <p>The Dales has an ageing population; the UK median age is 40.7 years; in the Derbyshire Dales it is 51.9 years.</p> <p>28.1% of the Derbyshire Dales population are over 65, up from 19% in 2001 and 9.6% higher than the national averages and exceeding both regional and county level figures.</p>

79

Information / Data	Data source and date	Information relevant to proposed policy/service/function
<p>Infographic of data  <a href="https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/2021%20Census%20Infographic%20v5_DDales%20V1.00.png">https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/2021%20Census%20Infographic%20v5_DDales%20V1.00.png</a>  <a href="https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/profiles/quilt/quilt_rank.pdf">https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/profiles/quilt/quilt_rank.pdf</a></p>		<p>The health of people in Derbyshire Dales is generally better than the England average. About 9.4% (965) of the District's children live in low-income families, compared with 16.6% for the East Midlands region (Derbyshire Dales Health Profile, 2019)</p> <p>In 2021, 6.0% of Derbyshire Dales residents were identified as being disabled and limited a lot, dropping from 7.1% in 2011.</p> <p>The ethnic minority population of the District is 2.2%, which covers people who identify their ethnic group as Asian, Asian British or Asian Welsh, Black, Black British, Black Welsh, Caribbean or African, Mixed or Multiple ethnic groups or other ethnic groups. The national figure for England and Wales is 18.3%.</p> <p>The fuel poverty rate is 20.1%, significantly higher than the average for Derbyshire of 13.9% and England of 13.1%. Fuel poverty is linked to poor quality housing.</p>

#### 4. Consultation and engagement

4a. if no consultation has taken place OR is unnecessary, please explain why.

No consultation due to timescales

4b. Add the results of any completed consultation and how it has/will inform the development of the policy/service.



<b>Who <u>did</u> you consult with?</b>	<b>How and when</b>	<b>Outcomes/Results</b>	<b>Implications and amendments as a result of consultation</b>
N/A	N/A	N/A	N/A

**4c. Add consultation plans and results here**

Think about who the stakeholders are? How will you gather their views? By when?

Remember to complete a Consultation Proposal form to access support and refer to the guides – everything you need is here

<X:\Partnerships and Projects\Consultation All Directorates\Strategies Guidance Resources>

<b>Who <u>will</u> you consult with?</b>	<b>How and When</b>	<b>Results</b>	<b>Implications and amendments as a result of consultation</b>
Not planned	N/A	N/A	N/A

**5. Based on the evidence above, does the policy, practice, service or function have a positive or negative impact on any protected group(s)?**

Protected groups	Positive effects	Negative effects	Potential Improvement Actions
<b>Age</b>	<p>Introducing this fee helps to ensure the service can be provided, these charges are currently at the cost of the taxpayer rather than the dog owner.</p> <p>Promotion of responsible dog ownership. Dog owners have a responsibility to keep their dog(s) under control &amp; be aware of their whereabouts.</p>	<p>Older customers may not be able to chase lost dogs, leading to proportionally more call out charges.</p>	<p>In most cases dogs should be on a lead at all times, especially if they are not recall trained.</p>
<p><b>Disability or long-term ill heath</b> Physical disabilities, sensory impairments, limiting long-term illnesses, learning disabilities or mental health issues</p>	<p>Introducing this fee helps to ensure the service can be provided, these charges are currently at the cost of the taxpayer rather than the dog owner.</p> <p>Promotion of responsible dog ownership. Dog owners have a responsibility to keep their dog(s)</p>	<p>Disabled or sick customers may not be able to chase lost dogs and may need this service, leading to proportionally more call out charges.</p>	<p>In most cases dogs should be on a lead at all times, especially if they are not recall trained.</p>

Protected groups	Positive effects	Negative effects	Potential Improvement Actions
	under control & be aware of their whereabouts.		
<b>Race / ethnic groups</b>	Introducing this fee helps to ensure the service can be provided	None	N/A
<b>Women or men</b>	Introducing this fee helps to ensure the service can be provided	None	N/A
<b>Sexual orientation</b>	Introducing this fee helps to ensure the service can be provided	None	N/A
<b>Religion or belief (including non-belief)</b>	Introducing this fee helps to ensure the service can be provided	None	N/A
<b>Transgender</b> (including people planning to or going through gender reassignment)	Introducing this fee helps to ensure the service can be provided	None	N/A
<b>Pregnancy and maternity</b> (including maternity and paternity leave)	<p>Introducing this fee helps to ensure the service can be provided, these charges are currently at the cost of the taxpayer rather than the dog owner.</p> <p>Promotion of responsible dog ownership. Dog owners have a responsibility to keep their dog(s)</p>	Pregnant customers may not be able to chase lost dogs and may need this service, leading to proportionally more call out charges	In most cases dogs should be on a lead at all times, especially if they are not recall trained.

Protected groups	Positive effects	Negative effects	Potential Improvement Actions
	under control & be aware of their whereabouts.		
<b>Marital status</b> (including civil partnership & same sex marriage)	Introducing this fee helps to ensure the service can be provided	None	N/A

**5a. Are there any local priority groups / factors which should be considered?**

Other factors	Positive effects	Negative effects	Improvement actions
<b>Rural areas</b>	Introducing this fee helps to ensure the service can be provided	None foreseen	N/A
<b>Poverty / deprivation</b>	Introducing this fee helps to ensure the service can be provided	The cost of living crisis may make this service hard to afford for some households. Fees may be incurred without the ability to pay.	In most cases dogs should be on a lead at all times, especially if they are not recall trained.

**6. Commissioned / outsourced services**

Is your policy, practice, service or function partly or wholly provided by any external organisation / agency?	Yes
If yes, please list any contractual or other arrangements which aim to ensure that the provider promotes equality and diversity (e.g., <i>monitoring data</i> )	The contract with Crowfoot Kennels includes a section on <b>Conduct of Service Provider's Staff – Equality, Diversity &amp; Inclusion</b>

## 7. Summary

Use this space to summarise key data and its implications, the key issues to be addressed, potential actions to address them and any other points relevant to the Policy/service.

85

The impacts from the new charge and/or the fee increases may be felt by some people with protected characteristics. These impacts will primarily be felt by older people and those with disabilities. Those already in precarious financial positions or with multiple vulnerabilities may also feel some impacts. Where possible, adverse impacts have been identified and the impact and any relevant mitigation activities have been included within the tables above.

## 8. Improvement Plan

Key issues identified	Actions
Introduction of new fee may be prohibitive for some, but is in line with other fees & charge for stray collection & kennelling	This may reduce the number of stray dogs collected

**PLEASE FORWARD THE COMPLETED FORM TO THE POLICY MANAGER / POLICY OFFICER (Consultation & Equalities)**

Signed \_\_\_\_\_ (Completing Officer)

## Derbyshire Dales District Council Equality Impact Assessment



Please refer to the guidance whilst completing this form.

Please contact Claire Allen [Claire.allen@derbyshiredales.gov.uk or 01269 761240] for support.

### 1. Outline

Information required	Detail
a. Title of policy, practice, service or function being assessed	<b>Parks - Ashbourne Recreation Ground – New Charges for Cricket Pitch Hire</b>
b. Links to Service and/or Corporate Plan Ref/s	
c. Name and Role of Officers conducting assessment	Claire Allen Corporate Policy Officer
d. Date of assessment	08/02/2024
e. Reason for assessment	<p>DDDC is proposing to increase fees and charges across a number of services above the current rate of inflation. There will be a new charge for the hire of the cricket pitch at Ashbourne Recreation Ground for both training and matches.</p> <p>This may have significant impacts on different groups with protected characteristics. This EIA considers those impacts and identifies any possible mitigations.</p>
f. What is the purpose of this policy, practice, service or function? (specify aims and objectives)	Increased fees and charges for 2024/25 above the current rate of inflation will generate higher levels of income in real terms. This will assist in balancing the budget for 2024/25, given the significant inflationary increases on Council spending.

Information required	Detail
	The price increases will also bring the prices for all pitch bookings (cricket, rugby and football) in Ashbourne in line and consistent with those across other facilities in the District.
g. Are there any other organisations involved in its implementation?	No
h. Likely customer groups to be impacted	Derbyshire Dales residents Visitors to the Derbyshire Dales area Businesses and traders operating within Derbyshire Dales
i. Other stakeholders likely to be impacted	Councillors
<b>Which District Council departments are affected by the policy, practice, service or function?</b>	Community and Environmental Services
<b>Do any of the objectives directly support or hinder another Council activity?</b>	No

## 2. Assessing Relevance to the General Equality Duty

The General Equality Duty has three aims which require the District Council to have due regard to the need to:	Tick those which are relevant ✓
1. Eliminate unlawful discrimination (both direct or indirect), harassment and victimisation	✓
2. Advance equality of opportunity between all persons by <ul style="list-style-type: none"> <li>• removing or minimising disadvantages suffered by protected groups;</li> <li>• taking steps to meet the needs of people from protected groups where these are different from the needs of other people</li> <li>• encouraging people from protected groups to participate in public life or other activities where participation is disproportionately low</li> </ul>	✓
3. Foster good relations between different groups	✓



### 3. What existing information / data do you have / monitor about different diverse groups in relation to this policy, practice, service or function?

For example: previous EIA's, reports, consultation, surveys, demographic data etc.

Information / Data	Data source and date	Information relevant to proposed policy/service/function
<p>Office National Statistics 2021 Census  <a href="https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationandhouseholdestimatesenglandandwalescensus2021">https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationandhouseholdestimatesenglandandwalescensus2021</a></p> <p>Derbyshire Observatory  <a href="https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/Census2021_FirstReleaseDerbyshire.html#derbyshire-dales">https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/Census2021_FirstReleaseDerbyshire.html#derbyshire-dales</a></p>	<p>Office National Statistics population datasets – age, sex, households etc.</p> <p>Population figures by age, number of households, sex - Derbyshire Observatory; taken from Census 2011 - national survey of all households</p>	<p>The district of Derbyshire Dales is mainly rural with around 80% of its population living in rural settlements.</p> <p>The population of 71,681 is evenly spread geographically across the area.</p> <p>This figure is made up of 36,683 women and 34,998 men. Derbyshire Dales has 32,283 households - the smallest number of all Derbyshire districts.</p> <p>The Dales has an ageing population; the UK median age is 40.7 years; in the Derbyshire Dales it is 51.9 years.</p> <p>28.1% of the Derbyshire Dales population are over 65, up from 19% in 2001 and 9.6% higher than the national averages and exceeding both regional and county level figures.</p>

Information / Data	Data source and date	Information relevant to proposed policy/service/function
<p>Infographic of data  <a href="https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/2021%20Census%20Infographic%20v5_DDales%20V1.00.png">https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/documents/census/2021_census/2021%20Census%20Infographic%20v5_DDales%20V1.00.png</a>  <a href="https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/profiles/quilt/quilt_rank.pdf">https://observatory.derbyshire.gov.uk/wp-content/uploads/reports/profiles/quilt/quilt_rank.pdf</a></p>		<p>The health of people in Derbyshire Dales is generally better than the England average. About 9.4% (965) of the District's children live in low-income families, compared with 16.6% for the East Midlands region (Derbyshire Dales Health Profile, 2019)</p> <p>In 2021, 6.0% of Derbyshire Dales residents were identified as being disabled and limited a lot, dropping from 7.1% in 2011.</p> <p>The ethnic minority population of the District is 2.2%, which covers people who identify their ethnic group as Asian, Asian British or Asian Welsh, Black, Black British, Black Welsh, Caribbean or African, Mixed or Multiple ethnic groups or other ethnic groups. The national figure for England and Wales is 18.3%.</p> <p>The fuel poverty rate is 20.1%, significantly higher than the average for Derbyshire of 13.9% and England of 13.1%. Fuel poverty is linked to poor quality housing.</p>

#### 4. Consultation and engagement

4a. if no consultation has taken place OR is unnecessary, please explain why.

No consultation due to timescales

**4b. Add the results of any completed consultation and how it has/will inform the development of the policy/service.**

<b>Who <u>did</u> you consult with?</b>	<b>How and when</b>	<b>Outcomes/Results</b>	<b>Implications and amendments as a result of consultation</b>
N/A	N/A	N/A	N/A

**4c. Add consultation plans and results here**

Think about who the stakeholders are? How will you gather their views? By when?

Remember to complete a Consultation Proposal form to access support and refer to the guides – everything you need is here

<X:\Partnerships and Projects\Consultation All Directorates\Strategies Guidance Resources>

91

<b>Who <u>will</u> you consult with?</b>	<b>How and When</b>	<b>Results</b>	<b>Implications and amendments as a result of consultation</b>
Not planned	N/A	N/A	N/A

**5. Based on the evidence above, does the policy, practice, service or function have a positive or negative impact on any protected group(s)?**

<b>Protected groups</b>	<b>Positive effects</b>	<b>Negative effects</b>	<b>Potential Improvement Actions</b>
<b>Age</b>	Charging for cricket pitch hire brings it in line with hiring charges	Increased charges may not be affordable for the cricket clubs.	<b>Derbyshire Dales offers a discounted price in line</b>

Protected groups	Positive effects	Negative effects	Potential Improvement Actions
	<p>for other sports pitches at the Recreation Ground.</p> <p>It also helps to ensure the service can be provided</p>	<p>This could impact on younger customers, who may be denied opportunities to play.</p> <p>This could also impact on older customers, who may also be denied opportunities to play.</p>	<p><b>with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b></p>
<p><b>Disability or long-term ill heath</b> Physical disabilities, sensory impairments, limiting long-term illnesses, learning disabilities or mental health issues</p>	<p>Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided</p>	<p>If cricket clubs providing cricket for disabled customers are not able to afford the new charges, this will impact those disabled customers, who will be denied the opportunity to play.</p>	<p><b>Derbyshire Dales offers a discounted price in line with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b></p>
<p><b>Race / ethnic groups</b></p>	<p>Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided</p>	<p>Cricket is a very important sporting, social and cultural activity for some Asian communities. New charges could end up being borne particularly by these communities and deny opportunities to play.</p>	<p><b>Derbyshire Dales offers a discounted price in line with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b></p>
<p><b>Women or men</b></p>	<p>Charging for cricket pitch hire brings it in line with hiring charges</p>	<p>If cricket clubs providing cricket specifically for women</p>	<p><b>Derbyshire Dales offers a discounted price in line</b></p>

Protected groups	Positive effects	Negative effects	Potential Improvement Actions
	for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	customers are not able to afford the new charges, this will impact those women, who will be denied the opportunity to play.	<b>with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b>
<b>Sexual orientation</b>	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	None	N/A
<b>Religion or belief (including non-belief)</b>	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	Cricket is a very important sporting, social and cultural activity for some Asian communities. New charges could end up being borne particularly by these communities and deny opportunities to play.	<b>Derbyshire Dales offers a discounted price in line with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b>
<b>Transgender</b> (including people planning to or going through gender reassignment)	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	None	N/A

Protected groups	Positive effects	Negative effects	Potential Improvement Actions
<b>Pregnancy and maternity</b> (including maternity and paternity leave)	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	None	N/A
<b>Marital status</b> (including civil partnership & same sex marriage)	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	None	N/A

**5a. Are there any local priority groups / factors which should be considered?**

Other factors	Positive effects	Negative effects	Improvement actions
<b>Rural areas</b>	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	None foreseen	N/A
<b>Poverty / deprivation</b>	Charging for cricket pitch hire brings it in line with hiring charges for other sports pitches at the Recreation Ground. It also helps to ensure the service can be provided	The cost of living crisis may make this new charge hard to bear by cricket club members. Cricket clubs may have to close.	<b>Derbyshire Dales offers a discounted price in line with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b>

## 6. Commissioned / outsourced services

Is your policy, practice, service or function partly or wholly provided by any external organisation / agency?	No
If yes, please list any contractual or other arrangements which aim to ensure that the provider promotes equality and diversity (e.g., <i>monitoring data</i> )	N/A

## 7. Summary

The impacts from the new charges may be felt by some people with protected characteristics. These impacts may be felt by young people, older people, women, those with disabilities and potentially those from some Asian communities . Those already in precarious financial positions or with multiple vulnerabilities may also feel some impacts. Where possible, adverse impacts have been identified and the impact and any relevant mitigation activities have been included within the tables above.

96

Use this space to summarise key data and its implications, the key issues to be addressed, potential actions to address them and any other points relevant to the Policy/service.

## 8. Improvement Plan

Key issues identified	Actions
A new charge might impact some groups ability to access cricket if can't afford the new costs.	<b>Derbyshire Dales offers a discounted price in line with other fees and charges in place across the Council for certain groups inc. under 16's, disabled, over national retirement age and those in receipt of benefits on low income.</b>



Key issues identified	Actions

**PLEASE FORWARD THE COMPLETED FORM TO THE POLICY MANAGER / POLICY OFFICER (Consultation & Equalities)**

Signed \_\_\_\_\_ (Completing Officer)

This page is intentionally left blank

# Agenda Item 8

**Governance & Resources Committee – 15 February 2024**

## **EXTERNAL AUDITOR'S COMPLETION REPORT AND AUDITOR'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

### **Report of the Director of Resources**

#### **Report Author and Contact Details**

Karen Henriksen, Director of Resources  
01629 761284 or karen.henriksen@derbyshiredales.gov.uk

#### **Wards Affected**

District-wide

#### **Report Summary**

These reports summarise work undertaken and the key findings arising from the external auditor's work in relation to the Authority's financial statements for 2022/23.

#### **Recommendation**

1. That the External Auditor's "Audit Completion Report for the year ended 31 March 2023" be received.
2. That the "Draft Auditor's Annual Report for the year ended 31 March 2023" be received.
3. That, subject to the approval of Public Sector Audit Appointments Limited, the additional audit fees of £17,500 (over the scale fee) in respect of work on the 2022/23 financial statements be approved.

#### **List of Appendices**

Appendix 1 "Audit Completion Report for the year ended 31 March 2023" from Mazars

Appendix 2 "Draft Auditor's Annual Report for the year ended 31 March 2023" from Mazars.

#### **Background Papers**

None

#### **Consideration of report by Council or other committees**

No

#### **Council Approval Required**

No

**Exempt from Press or Public**

No

# External Auditor's Completion Report and Auditor's Annual Report For The Financial Year Ended 31 March 2023

## 1. Background

- 1.1 Members are requested to note the reports from the external auditor prior to approving the Council's Statement of Accounts. The external auditor, Alastair Newall, from Mazars LLP, will attend the meeting to take members' questions on the reports.
- 1.2 Local authorities are required to publish accounts with an auditor's certificate or opinion by 30 September or to explain the reasons for non-publication.
- 1.3 Public Sector Audit Appointments (PSAA) announced that at the publishing date of 30 September 2023, only 5 out of 467 local government bodies' 2022/23 audit opinions have been given.
- 1.4 Due to resource constraints on both sides, there has been a delay in the preparation of the financial statements and the in the completion of the external audit of the Statement of Accounts for 2022/23. Members of the Committee will recall that the deadline of 30 November 2022 (for the 2021/22 financial statements) was also missed. The 2021/22 accounts, with the audit certificate, were published on 20 September 2023.
- 1.5 As can be seen from paragraph 1.3, the delayed audit is by no means unusual this year. Indeed, many authorities are still awaiting the completion of audits relating to 2021/22 financial statements. The Department for Levelling Up, Housing and Communities is soon to commence consultation on plans to clear the backlog by 30 September 2024. Timely financial information is important so, while the delay is noted, it is good that the external audit of Derbyshire Dales District Council's Statement of Accounts 2022/23 has been concluded.

## 2. Key Issues

- 2.1 The Council's external auditors, Mazars LLP, have issued their Audit Completion Report for the year ended 31 March 2023 covering the 2022/23 accounts. The purpose of this document is to summarise the audit conclusions for the 2022/23 financial statements. A copy of the report is shown at Appendix 1; the external auditor has requested that it be brought to Members' attention.
- 2.2 The key issues in the Audit Completion Report are:
  - Audit opinion: The external auditor anticipates issuing an unqualified opinion on the financial statements for 2022/23;
  - Value for Money: The external auditor anticipates having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources;

- Wider powers: The external auditor did not receive any questions or objections to the financial statements from electors;
- Significant risks: The external auditor has identified three significant risks:
  - Management override of controls
  - Valuation of the net defined benefit pension / liability
  - Valuation of land and buildings and investment properties.

For two of these risks, the external auditor has not identified any material issues arising from these risks to bring to members' attention. However, page 12 of the report sets out the external auditor's conclusion relating to the valuation of the net pension asset, where the initial calculations carried out by the actuary required amendment and further assurance.

- Internal control recommendations: The external auditor has identified two medium and 1 low risk issues. The external auditor's recommendations have been accepted (1 in principle pending further discussions) and will be addressed as part of preparations for the Statement of Accounts for 2023/24.
- Unadjusted misstatements: The external auditor has identified one unadjusted misstatement. Details of the adjusted misstatement are given on page 20 of the Audit Completion Report (Appendix 1) and in the report on the Letter of Representation elsewhere on the agenda for this meeting;
- Adjusted misstatements: The external auditor identified two misstatements that were accepted by management and subsequently corrected in the financial statements. Details of the adjusted misstatements are given on page 21 of the Audit Completion Report (Appendix 1).
- Disclosure amendments: The external auditor also identified three disclosure amendments. Details of the disclosure amendments are given on page 22 of the Audit Completion Report. The Statement of Accounts has been amended accordingly.

2.3 The Council's external auditors, Mazars LLP, have issued their Draft Auditor's Annual Report for the year ended 31 March 2023 covering the 2022/23 accounts. This version of the Auditor's Annual Report is issued as "Draft" because the external auditor can only issue the final version of the Auditor's Annual Report after the Audit Opinion on the financial statements has been signed. It was felt that it would be more expedient to bring the draft report to this committee meeting, alongside the Audit Completion Report, rather than present the final version at the next committee meeting.

2.4 The Draft Auditor's Annual Report summarises the work the external auditor has undertaken for the year ended 31 March 2023. A copy of the report is shown at Appendix 2; the external auditor has requested that it be brought to Members' attention.

## 2.5 The key issues in the Auditor's Annual Report are:

- Audit opinion: The external auditor anticipates issuing an unqualified opinion on the financial statements for 2022/23;
- Value for Money (VFM) Arrangements: The external auditor has not identified any significant weaknesses in arrangements that the Council has put in place for financial sustainability, governance and to improve economy, efficiency & effectiveness. However, the external auditor has made two recommendations in respect of governance arrangements (see further details in paragraph 2.6);
- Wider reporting responsibilities: The external auditor did not receive any questions or objections to the financial statements from electors. The external auditor anticipates reporting on the Whole of Government Accounts (WGA) immediately after issuing our audit opinion;
- Fees: The external auditor's fees for the 2022/23 financial statements are set out on page 23 of the Auditor's Annual Report and total £54,739 (for the 2021/22 financial statements the fees were £52,875). This total of £54,739 is £17,500 more than the scale fee of £37,239 for 2023/24.

The additional fees comprise:

Additional fees in respect of the new approach for assessing value for money arrangements (recurring)	£10,000
Additional fees in respect of new ISA540 requirements in relation to Accounting Estimates and related disclosures (recurring)	£2,500
Additional fees in respect of new ISA315 requirements in relation to misstatement risk factors (recurring)	£5,000
Total	£17,500

These additional fees are subject to the approval of Public Sector Auditor Appointments (PSAA) Limited, which manages the contracts for this work.

## 2.6 The external auditor has made two recommendations in respect of governance arrangements.

- The Council should ensure arrangements are in place to ensure adequate internal audit resources are secured for the future to avoid a limitation of scope in future year's internal audit annual reports.
- The Council should ensure that in-year budget monitoring reports are routinely received at Member and CLT meetings.

Both these risks have been addressed in 2023/24. The audit team is now fully staffed; the Internal Auditor post was converted to a career grade post to make it more attractive to applicants. During 2023/24 improvements have

been made to in-year budget monitoring reports and they are now reported to Council or this Committee on a quarterly basis.

- 2.7 It is pleasing to note that the external auditor states that “Draft accounts and supporting working papers were received from the Council on 9 August 2023 before the start of our rescheduled audit work. The working papers provided were of a good quality and the Finance Team were very responsive to audit queries throughout the audit process”. This reflects the good working relationship and mutual respect between both parties.

### **3. Options Considered and Recommended Proposal**

- 3.1 Not applicable.

### **4. Consultation & Publicity**

- 4.1 The Draft Statement of Accounts 2022/23 and notice of public rights were placed on the Council’s website on the 9th August 2023 and the accounts were available for public inspection from 18th September to 27th October 2023. No objections were received.

- 4.2 Following approval of this Committee, the Audit Completion Report and final version of the Auditor’s Annual Report (when available) will be published on the Council’s website, alongside the Audited Statement of Accounts for 2022/23.

### **5. Timetable for Implementation**

- 5.1 The Audit Completion Report, final version of the Auditor’s Annual Report and Audited Statement of Accounts will be published on the Council’s website as soon as practicable following the Committee’s approval and the receipt of the opinion from the external auditor.

### **6. Policy Implications**

- 6.1 None.

### **7. Financial and Resource Implications**

- 7.1 The external auditor’s fees for the 2022/23 financial statements are set out on page 23 of the Auditor’s Annual Report and total £54,739 (for the 2021/22 financial statements the fees were £52,875).

- 7.2 As the audit work in relation to the 2022/23 financial statements has been carried out in 2023/24, the fees will be accounted for in 2023/24. The fees of £54,739 exceed the 2023/24 budget of £47,895 by £6,844, which is has been assessed as a low financial risk. The forecast outturn for 2023/24 will be £54,739 (based on the fees quoted in the Auditor’s Annual Report).



## **8. Legal Advice and Implications**

- 8.1 As stated, this report summarises work undertaken and the key findings arising from the external auditor's work in relation to the Authority's financial statements for 2022/23. The legal risk for decision-making in association with the report's recommendations has been assessed as low.

## **9. Equalities Implications**

- 9.1 There are no equalities issues arising from this report.

## **10. Climate Change Implications**

- 10.1 There are no climate change issues arising from this report.

## **11. Risk Management**

- 11.1 The work of the external auditor should provide reassurance that the Council's arrangements for financial management (including the preparation of the financial statements) and its use of resources are satisfactory. This should minimise financial risks which, consequently, minimises the risk of disruption to services and supports the achievement of many of the Council's aims and priorities.
- 11.2 The VFM assessment has not identified any significant weaknesses in arrangements that the Council has put in place to secure economy, efficiency & effectiveness in its use of resources.

### **Report Authorisation**

Approvals obtained from:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	05/02/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	07/02/2024
Director of Corporate & Customer Services (Monitoring Officer)	Helen Mitchell	7/2/2024

This page is intentionally left blank

# Audit Completion Report

Derbyshire Dales District Council

– Year ended 31 March 2023

<sup>107</sup>  
January 2024



# Contents

- 01** [Executive summary](#)
- 02** [Status of the audit](#)
- 03** [Audit approach](#)
- 04** [Significant findings](#)
- 05** [Internal control recommendations](#)
- 06** [Summary of misstatements](#)
- 07** [Value for Money](#)

108

[Appendix A: Draft management representation letter](#)

[Appendix B: Draft audit report](#)

[Appendix C: Independence](#)

[Appendix D: Other communications](#)

Our reports are prepared in the context of the 'Statement of Responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited. Reports and letters prepared by appointed auditors and addressed to the Council are prepared for the sole use of the Council and we take no responsibility to any member or officer in their individual capacity or to any third party. Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.



Governance and Resources Committee Members  
Derbyshire Dales District Council  
Town Hall  
Bank Road  
Matlock  
Derbyshire  
DE4 3NN

29 January 2024

Dear Committee Members

## **Audit Completion Report – Year ended 31 March 2023**

We are pleased to present our Audit Completion Report for the year ended 31 March 2023. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented on 14 September 2023. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks and other areas of management judgement remain appropriate.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail then please do not hesitate to contact me on 0161 238 9243.

Yours faithfully

Alastair Newall

Mazars LLP

Mazars LLP  
Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

# 01

Section 01:

**Executive summary**

# 1. Executive summary

## Principal conclusions and significant findings

The detailed scope of our work as your appointed auditor for 2022/23 is set out in the National Audit Office's (NAO) Code of Audit Practice. Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 and, as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

In section 4 of this report we have set out our conclusions and significant findings from our audit. This section includes our conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

- Management override of controls;
- Property, plant and equipment valuation; and
- Defined benefit pension liability valuation.

## Misstatements and internal control recommendations

Section 5 sets out internal control recommendations and section 6 sets out audit misstatements; there is one unadjusted misstatement. Section 7 outlines our work on the Council's arrangements to achieve economy, efficiency and effectiveness in its use of resources.

## Status and audit opinion

We have substantially completed our audit in respect of the financial statements for the year ended 31 March 2023. At the time of preparing this report, a few matters remaining outstanding as outlined in section 2. We will provide an update to you in relation to the matters outstanding by issuing a follow up letter prior to issuing our audit opinion.

Subject to the satisfactory conclusion of the remaining audit work, we have the following conclusions:



### Audit opinion

We anticipate issuing an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B.



### Value for Money

We anticipate having no significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources. Further detail on our Value for Money work is provided in section 7 of this report.



### Whole of Government Accounts (WGA)

We anticipate submitting the required assurance statement to the NAO in line with their group audit instructions. The group audit instructions outline that the NAO may require auditors to carry out further work on the Council's WGA submission and until we have confirmation of this we will be unable to issue our audit certificate completing the audit.



### Wider powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Council and to consider any objection made to the accounts. No questions or objections have been received.

# 02






## Section 02: **Status of the audit**

112



## 2. Status of the audit

Our work is nearly complete; there are currently no matters of which we are aware that would require modification of our audit opinion, subject to completion of work in the areas detailed below.

Audit area	Status	Description of the outstanding matters
Defined Benefits Pension – net liability		We are awaiting the response from the auditor of Derbyshire Pension Fund to our request relating to their testing of the Pension Fund information submitted to the actuary. On receipt of the response we will assess the impact of any reported findings on the Council's net pension liability.
Quality checks and review		Quality checks and review work are ongoing and will remain ongoing until the date of completion.
Completion		Completion work is underway and will be concluded on receipt of the final signed accounts and letter of representation.
Signed accounts and letter of representation		Our work on the final stages remains open until the point of signing the auditor's report and includes aspects such as final casting of the accounts, monitoring for any post balance sheet events and obtaining management representations.
Whole of Government Accounts		When we sign the audit opinion on the financial statements we will submit the required assurance statement to the National Audit Office. The NAO may still require us to carry out audit procedures on the Council's Whole of Government Accounts submission, and until the NAO confirms no further work is required we will not be able to issue our audit certificate formally closing the audit.



Likely to result in material adjustment or significant change to disclosures within the financial statements.



Potential to result in material adjustment or significant change to disclosures within the financial statements.



Not considered likely to result in material adjustment or change to disclosures within the financial statements.

# 03

## Section 03: **Audit approach**

114

# 3. Audit approach

## Changes to our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum in September 2023. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

## Materiality

Our provisional materiality at the planning stage of the audit was set at £766k using a benchmark of 2% of gross operating expenditure. Our final assessment of materiality, based on the final financial statements is £746k, using the same benchmark.

## Use of experts

Management makes use of experts in specific areas when preparing the Council's financial statements. We have used available third-party information to challenge the key valuation assumptions. Furthermore, no changes have been made to the planned approach as outlined in the Audit Strategy Memorandum.

Item of account	Management's expert	Our expert
Property Plant and Equipment & Investment Properties	The Council's internal valuers	None
Pensions	Hymans Robertson Actuary for Derbyshire Pension Fund	NAO's Consulting Actuary (PwC)
Financial Instrument disclosures	Arlingclose Treasury management advisors	None
NNDR Appeals Provision	InformCPI	None

## Service organisations

International Auditing Standards (UK) (ISAs) define service organisations as third party organisations that provide services to the Council that are part of its information systems relevant to financial reporting. We are required to obtain an understanding of the services provided by service organisations as well as evaluating the design and implementation of controls over those services. The table below summarises the service organisations used by the Council and our planned audit approach. There was no change to the planned approach as outlined in the ASM.

Items of account	Service organisation	Audit approach
Revenues and benefits	The revenues and benefits service is administered by Chesterfield Borough Council on the Council's behalf	We gained an understanding of the work of the service organisation and the controls in place at the Council. We carried out substantive testing of the account entries based on the information available from the Council.

# 04

## Section 04: **Significant findings**

116

# 4. Significant findings

In this section we outline the significant findings from our audit. These findings include:

- our audit conclusions regarding other significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 13 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year; and
- any significant difficulties we experienced during the audit.

117

## Significant risks

Management	Description of the risk
<b>override of controls</b>	In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.
	<b>How we addressed this risk</b>
	We addressed this risk through performing audit work over: <ul style="list-style-type: none"> <li>• Accounting estimates impacting amounts included in the financial statements;</li> <li>• Consideration of identified significant transactions outside the normal course of business; and</li> <li>• Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.</li> </ul>
	<b>Audit conclusion</b>
	Our audit work has provided the assurance we sought and has not identified any material issues to bring to your attention.

## 4. Significant findings

### Net defined benefit pension asset/liability valuation

#### Description of the risk

The defined benefit asset relating to the Local Government Pension Scheme represents a significant balance on the Council's balance sheet.

The Council uses an actuary for the scheme to provide an annual valuation of this asset in line with the requirements of IAS 19 Employee Benefits. There is a risk that the assumptions and methodology used in valuing the pension obligations are not reasonable or appropriate to the Council's circumstances. This could have a material impact to the net pension asset/ liability in 2022/23. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area.

The Council is reporting a net Pension Asset in 2022/23. The pension asset is a complex calculation which incorporates a number of accounting standards including IAS19 and IFRIC14, and includes a requirement to calculate a pension asset ceiling. This is the first time the Council has accounted for a pension asset.

#### How we addressed this risk

We addressed the risk by:

- critically assessing the competency, objectivity and independence of the Actuary for the Pension Scheme;
- liaising with the auditors of the Derbyshire Pension Fund to gain assurance over the design and implementation of controls in place at the Derbyshire Pension Fund. This included the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation is complete and accurate. The assurance incorporated the information submitted by the Pension Fund for the triennial valuation at 31 March 2022;
- evaluating and challenging the work performed by the Pension Fund auditor on the Pension Fund investment assets, and considering whether the outcomes would materially impact our consideration of the Council's share of Pension Fund assets;
- reviewing the actuarial allocation of Pension Fund assets to the Council by the actuary, including comparing the Council's share of the assets to other corroborative information;
- reviewing the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund actuary, and the key assumptions included within the valuation. This included comparing them to expected ranges, utilising information by the consulting actuary engaged by the National Audit Office;
- reviewing the actuaries approach to, and calculation of, the pension asset ceiling, and considering the application of the asset ceiling to the recognised pension asset ; and
- agreeing the data in the IAS 19 valuation reports provided by the Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's financial statements.

#### Audit conclusion

Subject to receiving assurance from the auditors of the Derbyshire Pension Fund regarding the pension estimates involved, our work to date has provided the assurance sought, with only one issue to bring to Members' attention. The initial calculations performed by the actuary showed a net pension surplus of £3,370k, as the fair value of assets was greater than the fair value of obligations. However, there are circumstances under which a pension surplus should not be recognised in full in the statement of accounts, and the actuary had not considered this asset cap in their report. The corrected calculations resulted in a total additional liability of £3,824k, and a final net liability of £454k as set out in section 6.

## 4. Significant findings

### Valuation of land and buildings and investment properties

#### Description of the risk

Property related assets are a significant balance on the Council's balance sheet. The valuation of these properties is complex and is subject to a number of management assumptions and judgements. Due to the high degree of estimation uncertainty associated, we have determined there is a significant risk in this area.

#### How we addressed this risk

We addressed this risk by:

- critically assessing the scope of work, qualifications, objectivity and independence of the Council's valuers to carry out the required programme of revaluations;
- considering whether the overall revaluation methodologies used by the Council's valuers are in line with industry practice, the CIPFA code of practice and the Council's accounting policies;
- assessing whether valuation movements are in line with market expectations by considering valuation trends;
- critically assessing the approach that the Council adopts to ensure that assets that are not subject to revaluation in 2022/23 are materially correct, including considering the robustness of that approach in light of the valuation information reported by the Council's valuers;
- sample testing the completeness and accuracy of underlying data provided by the Council and used by the valuers as part of their valuations; and
- using relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2023.

#### Audit conclusion

Our audit procedures have not identified any material errors or uncertainties in the financial statements, or other matters that we wish to bring to Members' attention in relation to the valuation of land, buildings and investment property assets.

## 4. Significant findings

### Qualitative aspects of the Council's accounting practices

We have reviewed the Council's accounting policies and disclosures and concluded they comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets, published in November 2022, appropriately tailored to the Council's circumstances.

Draft accounts were received from the Council on 9 August 2023. The working papers provided were of a good quality and the Finance Team were very responsive to audit queries throughout the audit process.

### Significant matters discussed with management

The only significant matters discussed with management over and above those highlighted in other areas of this report were the approach taken to banking on behalf of the Ernest Bailey Trust Fund which resulted in a recommendation in section 5 and the details behind the calculation of the Council's Minimum Revenue Provision.

During the audit we maintained a regular dialogue with management.

### Significant difficulties during the audit

During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management. We would like to thank the Finance Team for the quality of their supporting working papers and for being available throughout the audit work to answer our queries.

### Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2022/23 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. No such objections have been raised.



# 05

## Section 05: **Internal control recommendations**

121

# 5. Internal control recommendations

As part of our audit of the financial statements, we obtained an understanding of internal controls sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to the Governance and Resources Committee any significant deficiencies identified during the course of our work.

The purpose of our audit was to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our findings and recommendations are set out on the next page. We have assigned a priority ranking to our recommendations to reflect the importance that we consider it poses to your organisation and, hence, our recommendations in terms of the urgency of required action. In summary, the matters arising can fall into the following categories:

Priority ranking	Description	Number of issues
<b>1 (high)</b>	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	0
<b>2 (medium)</b>	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	2
<b>3 (low)</b>	In our view, internal control should be strengthened in these additional areas when practicable.	1

## 5. Internal control recommendations

### Other deficiencies in internal control – Level 2

#### Description of deficiency

The Council requests its valuer to carry out a review of the previous valuations to consider if there is a material change in the valuation. Our review of the work carried out established that it was not formally documented.

---

#### Potential effects

Without this audit trail, the Council doesn't have evidence to support its assertion that the assets not revalued in year are not materially misstated.

---

#### Recommendation

The Council should request that its valuer formally documents the work carried out to consider the assets not revalued in year.

---

#### Management response

Accepted.

---

### Other deficiencies in internal control – Level 2

#### Description of deficiency

Our work on the Council's cash and bank balances established that the Ernest Bailey Trust does not have a separate bank account from the Council. For accounting purposes, the initial £150,000 investment, together with net income and expenditure (£27,917 for 22/23), is instead manually deducted from the Council's cash balance.

---

#### Potential effects

While the Ernest Bailey Trust has its own cost centre within the Council's ledger, it is comparatively more difficult to verify the amounts of cash, income and expenditure that relate to the Trust.

---

#### Recommendation

The Council should encourage the Ernest Bailey Trust to establish its own bank account.

---

#### Management response

Agreed in principle, subject to further discussions with the council's legal team and with the trustees of the charity.

---

# 5. Internal control recommendations

## Other recommendations on internal control – Level 3

### Description of deficiency

Councillor elections were held in May 2023, but the requests for the 2022/23 related party declarations were sent out in late April. This gave the Councillors minimal time to respond before the elections and, because of this, 13 forms were not returned from Councillors.

---

### Potential effects

Related party relationships involving members could be incorrectly or incompletely disclosed.

---

### Recommendation

We recommend that the requests be sent out earlier and responses monitored more closely.

---

### Management response

Accepted.

---

# 06

Section 06:

## Summary of misstatements

125

## 6. Summary of misstatements

This section outlines the misstatements identified during the course of the audit, above the trivial threshold for adjustment of £22k. The first table outlines the misstatements that were identified during the course of our audit which management has assessed as not being material either individually or in aggregate to the financial statements and does not currently plan to adjust.

The second table outlines the misstatements that have been adjusted by management during the course of the audit.

Unadjusted misstatements		Comprehensive Income and Expenditure Statement		Balance Sheet	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1	Dr: Net Cost of Services – Gross Income	30			
126	Cr: Short Term Creditors – Income in Advance		30		
<p>We identified two items where the Council had accounted for income on a receipts rather than an accruals basis for items below the Council's threshold for recognising accruals of £500. In line with our audit approach, we extrapolated the errors over the untested population and the impact of the extrapolated error is that CIES income is overstated by £30k and income in advance is understated by £30k. The Council has not adjusted these items on the grounds of immateriality and that they relate to an extrapolated error.</p>					
<b>Total unadjusted misstatements</b>		<b>30</b>	<b>30</b>		

## 6. Summary of misstatements

### Adjusted misstatements

		Comprehensive Income and Expenditure Statement		Balance Sheet	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1	Dr: Taxation and Non-Specific Grants	602			
	Cr: Net Cost of Services – Gross Income		602		
The Council had classified the Disabled Facilities Grant in Taxation and Non-Specific Grants, but the CIPFA Code indicates that these grants should be classified in the Net Cost of Services Income.					
2	Dr: CIES re-measurement of the net defined pension liability	3,824			
	Cr: Long term liabilities				454
	Cr: Pension asset				3,370
The initial calculations performed by the actuary showed a net pension surplus of £3,370k, as the fair value of assets was greater than the fair value of obligations. However, there are circumstances under which a pension surplus should not be recognised in full in the statement of accounts, and the actuary had not considered this asset cap in their report. The corrected calculations resulted in a total additional liability of £3,824k, and a final net liability of £454k.					
<b>Total adjusted misstatements</b>		<b>4,426</b>	<b>602</b>		<b>3,824</b>

127

# 6. Summary of misstatements

## Disclosure amendments

During our review of the financial statements we identified some minor casting and consistency errors, which were accepted and corrected by management in full. The main issues resulting in other disclosure amendments made by the Council were as follows:

- 1. Note 12 – Property, Plant & Equipment - Revaluations: There was a £10m overstatement of Land & Buildings revalued at historical cost, due to the misclassification of some components. This error did not have any impact on the tranche of assets actually revalued.
- 2. Note 14 – Financial Instruments - The CCLA Property Fund was incorrectly stated as being held at Fair Value Through Other Comprehensive Income, whereas it is (correctly) accounted for as Fair Value Through Profit or Loss.
- 3. Note 22 – Cash Flow Statement - Operating Activities: Capital creditors and debtors movements were adjusted for in the operating activities portion of the Cash Flow Statement, when these actually related to investing activities.



# 07

## Section 07: **Value for Money**

129

# 7. Value for Money

## Approach to Value for Money

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- **Financial sustainability** - How the Council plans and manages its resources to ensure it can continue to deliver its services
- **Governance** - How the Council ensures that it makes informed decisions and properly manages its risks
- **Improving economy, efficiency and effectiveness** - How the Council uses information about its costs and performance to improve the way it manages and delivers its services

At the planning stage of the audit, we undertake work to understand the arrangements that the Council has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

The table overleaf outlines the risks of significant weaknesses in arrangements that we have identified, the risk-based procedures we have undertaken, and the results of our work.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report.

The primary output of our work on the Council's arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. We intend to issue the Auditor's Annual Report in February 2024.

## Status of our work

We have completed our work in respect of the Council's arrangements for the year ended 31 March 2023 and we have not identified any significant weaknesses in arrangements that have required us to make a recommendation. Our draft audit report at Appendix B confirms that we have no matters to report in respect of significant weaknesses. As noted above, our commentary on the Council's arrangements will be provided in the Auditor's Annual Report in February 2024.

# Appendices

A: Draft management representation letter

B: <sup>13</sup>~~14~~ Draft audit report

C: Independence

D: Other communications

# Appendix A: Draft management representation letter

From:

Karen Henriksen CPFA  
Director of Resources  
Derbyshire Dales District Council  
Town Hall  
Matlock  
Derbyshire  
DE4 3NN

To:

Mr Alastair Newall  
Director  
Mazars LLP  
One St Peter's Square  
Manchester  
M2 3DE

Date: XXX

Dear Alastair

## **Derbyshire Dales District Council - audit for year ended 31 March 2023**

This representation letter is provided in connection with your audit of the financial statements of Derbyshire Dales District Council for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the statement of accounts give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets ("the Code Update"), published in November 2022 and applicable law.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

### **My responsibility for the statement of accounts and accounting information**

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), as amended by the Code Update and applicable law.

### **My responsibility to provide and disclose relevant information**

I have provided you with:

- access to all information of which I am aware that is relevant to the preparation of the statement of accounts such as records, documentation and other material;

# Appendix A: Draft management representation letter

- additional information that you have requested from me for the purpose of the audit; and
- unrestricted access to individuals within the Council you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Director of Resources / S151 Officer that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information. As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

## Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Council and committee meetings, have been made available to you.

## Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with the Code and International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Council's financial position, financial performance and cash flows.

## Accounting estimates, including those measured at fair value

I confirm that any significant assumptions used by the Council in making accounting estimates, including those measured at current or fair value, are reasonable.

I confirm that I am satisfied that the actuarial assumptions underlying the valuation of pension scheme liabilities for IAS19 disclosures are consistent with my knowledge. I confirm that all settlements and curtailments have been identified and properly accounted for. I confirm that all significant retirement benefits have been identified and properly accounted for (including any arrangements that are statutory, contractual or implicit in the employer's actions, that arise in the UK or overseas, that are funded or unfunded).

## Group Accounts

I confirm that I have reviewed the accounting transactions of the Council's partnerships and joint ventures and am satisfied that these do not need lead to the need for the Council to prepare group accounts.

## Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated..

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date. There are no contingent gains which should be disclosed.

# Appendix A: Draft management representation letter

All material matters, including unasserted claims, that may result in litigation against the Council have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with Code and applicable law.

## Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Council has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

## Fraud and error

I acknowledge my responsibility as Director of Resources / S151 Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

I have disclosed to you:

- all the results of my assessment of the risk that the statement of accounts may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Council involving:
  - - management and those charged with governance;
  - 134 - employees who have significant roles in internal control; and
  - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others.

## Related party transactions

I confirm that all related party relationships, transactions and balances (including sales, purchases, loans, transfers, leasing arrangements and guarantees) have been appropriately accounted for and disclosed in accordance with the requirements of the Code and applicable law. I have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which I am aware.

## Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

# Appendix A: Draft management representation letter

## **Future commitments**

The Council has no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

## **Charges on assets**

All the Council's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

## **Subsequent events**

I confirm all events subsequent to the date of the financial statements and for which the Code require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

## **Impacts of Russian Forces entering Ukraine**

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the Council, including the impact of mitigation measures and uncertainties, and that the disclosure in the subsequent events note to the financial statements fairly reflects that assessment.

## **Covid-19**

I confirm that I have carried out an assessment of the on-going impact of the Covid-19 Virus pandemic on the Council, including the impact of mitigation measures and uncertainties, and that the disclosure in the Statement of Accounts fairly reflects that assessment.

## **Brexit**

I confirm that I have carried out an assessment of the potential impact of the United Kingdom leaving the European Union, including the potential outcomes at the end of the Implementation Period, and that the disclosure in the Statement of Accounts fairly reflects that assessment.

## **Banking crisis**

We confirm that we have assessed the impact on the Council of the on-going Global Banking challenges, in particular whether there is any impact on the Council's ability to continue as a going concern, and on the post balance sheet events disclosures. In this regard we confirm that our exposure (either direct cash exposure or direct / indirect through investments) with Silicon Valley Bank, Credit Suisse, Signature Bank or any other bank in a distress situation, is not material.

# Appendix A: Draft management representation letter

## **Going concern**

To the best of my knowledge there is nothing to indicate that the Council will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

## **Unadjusted misstatements**

I confirm that the effects of any uncorrected misstatements are set out at Appendix A and are immaterial, both individually and in aggregate, to the financial statements as a whole.

Yours faithfully

Karen Henriksen CPFA

Director of Resources and S151 Officer



# Appendix B: Draft audit report

## Independent auditor's report to the members of Derbyshire Dales District Council

### Report on the audit of the financial statements

#### Opinion on the financial statements

We have audited the financial statements of Derbyshire Dales District Council ("the Council") for the year ended 31 March 2023, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, the Collection Fund, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets ("the Code Update"), published in November 2022.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Council as at 31<sup>st</sup> March 2023 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Resources' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director of Resources with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Director of Resources is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

# Appendix B: Draft audit report (continued)

We have nothing to report in this regard.

## Responsibilities of the Director of Resources for the financial statements

As explained more fully in the Statement of Responsibilities, the Director of Resources is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update, and for being satisfied that they give a true and fair view. The Director of Resources is also responsible for such internal control as the Director of Resources determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Director of Resources is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 as amended by the Code Update and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future. The Director of Resources is responsible for assessing each year whether or not it is appropriate for the Council to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Council we identified that the principal risks of non-compliance with laws and regulations related to the Local Government Act 2003 (and associated regulations made under section 21), the Local Government Finance Acts of 1988, 1992 and 2012, and the Accounts and Audit Regulations 2015, and we considered the extent to which non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring with management and the Governance and Resources Committee, as to whether the Council is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Council which were contrary to applicable laws and regulations, including fraud.

We evaluated the Director of Resources' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Governance and Resources Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;

# Appendix B: Draft audit report (continued)

- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Governance and Resources Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Director of Resources' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the National Audit Office in February 2023.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Report on the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources

### Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have nothing to report in this respect.

### Responsibilities of the Council

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

### Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023.

# Appendix B: Draft audit report (continued)

## Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

## Use of the audit report

This report is made solely to the members of Derbyshire Dales District Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

## Delay in certification of completion of audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to issue our assurance statement in respect of the Council's Whole of Government Accounts consolidation pack.

Alastair Newall Key Audit Partner  
For and on behalf of Mazars LLP





One St Peter's Square  
Manchester  
M2 3DE

# Appendix C: Independence



As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

# Appendix D: Other communications

Other communication	Response
 <b>Compliance with Laws and Regulations</b>	<p>We have not identified any significant matters involving actual or suspected non-compliance with laws and regulations.</p> <p>We will obtain written representations from management that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements have been disclosed.</p>
 <b>External confirmations</b>	<p>We did not experience any issues with respect to obtaining external confirmations.</p>
 <b>Related parties</b>	<p>We did not identify any significant matters relating to the audit of related parties.</p> <p>We will obtain written representations from management confirming that:</p> <ul style="list-style-type: none"> <li>a. they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; and</li> <li>b. they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.</li> </ul>
 <b>Going concern</b>	<p>We have not identified any evidence to cause us to disagree with the Director of Resources that Derbyshire Dales District Council will be a going concern, and therefore we consider that the use of the going concern assumption is appropriate in the preparation of the financial statements.</p> <p>We will obtain written representations from management, confirming that all relevant information covering a period of at least 12 months from the date of approval of the financial statements has been taken into account in assessing the appropriateness of the going concern basis of preparation of the financial statements.</p>

# Appendix D: Other communications

Other communication	Response
 <p><b>Subsequent events</b></p>	<p>We are required to obtain evidence about whether events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework.</p> <p>We will obtain written representations from management that all events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.</p>
<p>143</p>  <p><b>Matters related to fraud</b></p>	<p>We have designed our audit approach to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement due to fraud. In addition to the work performed by us, we will obtain written representations from management, confirming that</p> <ul style="list-style-type: none"> <li>a. they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud;</li> <li>b. they have disclosed to the auditor the results of management's assessment of the risk that the financial statements may be materially misstated as a result of fraud;</li> <li>c. they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving:             <ul style="list-style-type: none"> <li>i. Management;</li> <li>ii. Employees who have significant roles in internal control; or</li> <li>iii. Others where the fraud could have a material effect on the financial statements; and</li> </ul> </li> <li>d. they have disclosed to the auditor their knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.</li> </ul>

## Alastair Newall - Director

### Mazars

One St Peter's Square  
Manchester  
M2 3DE

1  
44

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

\*where permitted under applicable country laws.

## Follow us:

### LinkedIn:

[www.linkedin.com/company/Mazars](http://www.linkedin.com/company/Mazars)

### Twitter:

[www.twitter.com/MazarsGroup](http://www.twitter.com/MazarsGroup)

### Facebook:

[www.facebook.com/MazarsGroup](http://www.facebook.com/MazarsGroup)

### Instagram:

[www.instagram.com/MazarsGroup](http://www.instagram.com/MazarsGroup)

### WeChat:

ID: Mazars



# Auditor's Annual Report– FINAL DRAFT FOR COMMITTEE

Derbyshire Dales District Council – year  
ended 31 March 2023

<sup>145</sup>  
February 2024



# Contents

- 01 [Introduction](#)
- 02 [Audit of the financial statements](#)
- 03 [Commentary on VFM arrangements](#)
- 04 [Other reporting responsibilities](#)

146

[Appendix A: Further information on our audit of the financial statements](#)

Our reports are prepared in the context of the 'Statement of responsibilities of auditors and audited bodies' issued by Public Sector Audit Appointments Ltd. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the Council. No responsibility is accepted to any member or officer in their individual capacity or to any third party.

Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales

# 01

## Section 01: **Introduction**

# 1. Introduction

## Purpose of the Auditor's Annual Report

Our Auditor's Annual Report (AAR) summarises the work we have undertaken as the auditor for Derbyshire Dales ('the Council') for the year ended 31 March 2023. Although this report is addressed to the Council, it is designed to be read by a wider audience including members of the public and other external stakeholders. **This is a DRAFT report, as we have not yet issued our audit opinion. The report will be finalised when we issue our audit opinion, anticipated in February 2024.**

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice ('the Code') issued by the National Audit Office ('the NAO'). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.



### Opinion on the financial statements

We issued our audit report on **[insert date]**. Our opinion on the financial statements was unqualified **[At this stage, we anticipate being able to issue an unqualified opinion, subject to finalisation of remaining issues.]**

148



### Value for Money arrangements

In our audit report issued we reported that we had completed our work on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources and had not issued recommendations in relation to identified significant weaknesses in those arrangements. Section 3 provides our commentary on the Council's arrangements and our other recommendations.



### Wider reporting responsibilities

We issued our Whole of Government Accounts (WGA) Assurance Statement to National Audit Office on **xx xxxx** 2024. The NAO has not yet given an indication of sampled components. We will not be able to issue an audit certificate formally closing the audit until NAO have provided confirmation in this respect. **[We anticipate reporting on WGA immediately after issuing our audit opinion.]**

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Council and to consider any objection made to the accounts. We did not receive any questions or objections in respect of the Council's financial statements.

# 02

Section 02:

## **Audit of the financial statements**

149

## 2. Audit of the financial statements

### The scope of our audit and the results of our opinion

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (ISAs).

The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Council and whether they give a true and fair view of the Council's financial position as at 31 March 2023 and of its financial performance for the year then ended. Our audit report, issued on xx xxxx 2024 gave an unqualified opinion on the financial statements for the year ended 31 March 2023. **[At this stage, we anticipate being able to issue an unqualified opinion, subject to finalisation of remaining issues.]**

Our Audit Completion Report 2022/23, presented to the Council's Governance and Resources Committee on 15 February 2024 provides further details of the findings of our audit of the Council's financial statements. This includes our conclusions on the identified audit risks and areas of management judgement, internal control recommendations and misstatements identified during the course of the audit.

### Qualitative aspects of the Council's accounting practices

We have reviewed the Council's accounting policies and disclosures and concluded they comply with the 2022/23 Code of Practice on Local Authority Accounting, as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets ("the Code Update"), published in November 2022, appropriately tailored to the Council's circumstances.

Draft accounts and supporting working papers were received from the Council on 9 August 2023 before the start of our rescheduled audit work. The working papers provided were of a good quality and the Finance Team were very responsive to audit queries throughout the audit process.

### Significant difficulties during the audit

During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management. We would like to thank the Finance Team for the quality of their supporting working papers and for being available throughout the audit work to answer our queries.

# 03

Section 03:

**Commentary on VFM arrangements**

151

# 3. Commentary on VFM arrangements

## Overall summary

152





# 3. VFM arrangements – Overall summary

## Approach to Value for Money arrangements work

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:



**Financial sustainability** - How the Council plans and manages its resources to ensure it can continue to deliver its services



**Governance** - How the Council ensures that it makes informed decisions and properly manages its risks



**Improving economy, efficiency and effectiveness** - How the Council uses information about its costs and performance to improve the way it manages and delivers its services

Our work is carried out in three main phases.

### Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Council has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding of arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with staff and directors

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

### Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

We outline the risks that we have identified and the work we have done to address those risks on page [X].

### Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Council. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements**

We make these recommendations for improvement where we have identified a significant weakness in the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.


- **Other recommendations**

We make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant but which still require action to be taken

The table on the following page summarises the outcomes of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements or made other recommendations.

# 3. VFM arrangements – Overall summary

## Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
 Financial sustainability	11	No	No	No
 Governance	14	No	No	Yes – Two ‘other recommendations’ made - see commentary on pages 15/16
 Improving economy, efficiency and effectiveness	18	No	No	No

# 3. Commentary on VFM arrangements

## Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services

155



# 3. VFM arrangements – Financial Sustainability

## Overall commentary on the Financial Sustainability reporting criteria

### How the Council identifies significant financial pressures that are relevant to its short and medium-term plans

The Council is required to set a balanced budget on an annual basis and to agree a reserves strategy to manage longer-term risk. The Council has developed a Medium Term Financial Strategy (MTFS) covering a 5 year timeframe for 2022/23 to 2026/27. The Medium Term Financial Strategy (MTFS) is reviewed and updated annually. The Council also has a Medium Term Financial Plan (MTFP), which is updated on a rolling basis and presented to Members for approval in March, July and November/December each year. The authority uses scenario testing against its MTFP. The current MTFP was approved by the Council in December 2023. The plan recognises the risks and uncertainties facing the Council in terms of cost pressures, future funding arrangements, volatile income levels and potential variations in the costs of the delivery of demand led services in particular. The MTFS is supported by corporate mechanisms for consultation e.g. community forums; customer satisfaction surveys; and consultation on the draft budget.

Our review of the MTFP noted that there are uncertainties over the implementation of the Government spending review and the residual disruption caused by Covid-19. However, as the MTFP is updated on a rolling basis the plan can be updated as the position becomes clearer.

Budgets are assigned to operational managers who monitor budgets on a regular basis as evidenced by our review of budget reports. Each service is assigned a finance lead to help identify pressures and determine the financial impact.

During 2022/23 the Council faced a number of challenges in successfully managing its financial position, delivering new and existing services whilst also planning for the future. The Council set a balanced budget in March 2023 which accounted for the known and expected issues as fully as possible at that stage. The Medium Term Financial Plan demonstrates that, with the proposed increase in council tax and use of reserves, there was a balanced budget for 2022/23 and 2023/24, with savings of £0.4m being required to balance the budget for 2024/25. Further savings of £1.5m are required for 2025/26. However, the Medium Term Financial Plan shows that further grant losses are expected from 2026/27 onwards and that, as a result, there is a need to identify additional savings or income of over £3.4m a year from then onward.

The Council's usable reserves have increased by £0.9m to £25.5m at 31 March 2023. There is a strong focus on financial resilience within the MTFS and ensuring the Council has appropriate reserves for the future.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

### How the Council plans to bridge funding gaps and identifies achievable savings

The 5 year MTFS approved in March 2021 identified emerging longer-term pressures. The MTFS was balanced to the end of 2023/24 with efficiency savings of £0.4m required in 2024/25 and savings or income of over £3.4m a year from 2026/27 onward.

The Council has a good track record of identifying and delivering savings and has made savings of over £2.7 m since 1st April 2014. Total savings required in 2023/24 and 2024/25 are £nil and £0.4m respectively which are not significant in relation to the overall budget of the Council. While there is uncertainty over the Council's future funding position, the Council has proposed that (while the Council will continue to look for efficiency savings) there will be a cautious approach to any significant service reductions until the full outcome of the funding / business rates reviews is known. The Council considers that it has sufficient reserves and balances that would be available to address any immediate funding reduction, giving a period of time to consider the required action in the event of significant funding cuts.

The MTFS does not rely on any contributions from reserves apart from those reserves which are earmarked for specific purposes.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

### How the Council plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

A corporate plan has been developed for 2022 to 2024. There are 3 broad priority areas:

- People - providing a high quality customer experience;
- Place - keeping the Derbyshire Dales Clean, Green and Safe; and
- Prosperity - supporting better homes and jobs.

The MTFS recognises the ongoing pressure the Council faces and the potential impact on service delivery. An in-year monitoring report to the Council details the pressures faced, whether savings are being achieved, and if resources need to be redirected to areas of need. Our review of the MTFS did not identify a reliance on 'one off' measures to balance the budget.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

# 3. VFM arrangements – Financial Sustainability

## Overall commentary on the Financial Sustainability reporting criteria - continued

### How the Council ensures that its financial plan is consistent with other plans

Cost of pay awards are estimated and revised as part of budget setting. Salary budgets are linked to structure establishments and new recruitments have to be approved to ensure that there is sufficient base budget in place to fund the post. The Council liaises with the Pension Fund on a triennial basis to review the employers contribution rates.

The Treasury Management Strategy and Capital Strategy are updated on a regular basis and set out how the Council manages risks and benefits associated with cash-flow, treasury management and borrowing. The strategy sets out how the Council can fund a multi-year capital programme in a financially sustainable way using a series of prudential indicators to monitor the position. This is supported by 'Business Case' documentation to ensure capital projects go through a robust business case documentation process and the revenue implications of capital investment decisions are fully considered and form part of the MTFS planning and budget setting process. These plans and strategies are considered and approved by the Council alongside MTFS and budget decisions each year.

Other operational planning and its impact on the MTFS is also considered, together with the opportunities for working with other local authorities. Risk management is also considered in terms of financial plans and the strategic risk-register is regularly updated and reported to the Governance and Resources Committee in an annual report.

The Governance and Resources Committee and Council consider the financial position halfway through the year and this allows for Member scrutiny and challenge. The latest MTFP was considered by the Council at their December 2023 meeting.

Savings plans are risk assessed to advise Members of the potential impact with proposals being risk assessed for impact on communities and service delivery. We have considered the savings initiatives undertaken in recent years with no weaknesses identified.

The annual budget setting process/report includes reviewing the Council's earmarked reserves. We confirmed a review was completed in 2022/23 to ensure funding set aside remains in line with strategic and statutory priorities of the Council. This is evidenced in the reports presented to the Governance and Resources Committee and Council during the financial year.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

### How the Council identifies and manages risks to financial resilience

The MTFS recognises the risks and uncertainties facing the Council in terms of cost pressures, future funding arrangements, volatile income levels and potential variations in the costs of the delivery of demand led services. Our review of the MTFS shows that there is no evidence that assumptions are unrealistic or that there is unplanned or heavy reliance of reserves to cover unplanned spend. The Council models its income and expenditure over the MTFS and builds in known pressures.

A key focus of this medium-term financial strategy is to promote financial resilience and sustainability. The proposed revenue budget is balanced across the term of the financial plan with no reliance on reserves or one-off income to fund permanent spend commitments and the MTFS looks to protect and replenish the Council's reserve levels where possible. Our review of the MTFS has not identified any significant weaknesses in arrangements.

The Council has a good record of delivering planned savings, and the adoption of prudent MTFS planning assumptions, provide comfort that the Council has a sustainable financial position for the immediate future. Our review of savings plans and assumptions within the MTFS has not identified any significant weaknesses in arrangements.

The replenishment of reserves remains a focus of the MTFS with financial resilience a key factor.

The Council has an established risk management framework and the Governance and Resources Committee receives regular risk management updates. We reviewed the reports presented to the Governance and Resources Committee and Council during 2022/23 which reported the forecast outturn position. These reports contain evidence of a clear summary of the Council's performance, detailing significant variances and providing adequate explanation of the causes. Our review did not indicate a weakness in the Council's risk management and budget monitoring and reporting arrangements.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

# 3. Commentary on VFM arrangements

## Governance

How the body ensures that it makes informed decisions and properly manages its risks

158



# 3. VFM arrangements – Governance

## Overall commentary on the Governance reporting criteria

### How the Council monitors and assesses risk and how the Council gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

The Council's Head of Internal Audit is engaged from an internal audit consortium that specialises in local government provision. The Council directly employs a Senior Internal Auditor and an Internal Auditor. The Internal Audit Plan and Head of Internal Audit Report is reviewed by the Council's Governance and Resources Committee. As detailed in the plan, the Council uses a risk-based approach to determine the priorities of the internal audit activity, consistent with the Council's objectives. However, both members of the internal audit team left the Council's employment in July and August 2022 and the team was not fully staffed until July 2023. While the Head of the Internal Audit Consortium continued to give advice to officers and members, the vacant posts have meant that only 3 audit reviews were completed in 2022/23 and this led to a limitation of scope for the internal audit annual report for 2022/23. This in turn fed into the Annual Governance Statement for 2022/23. Having considered such matters we consider this matter is not a significant weakness although we are raising an 'other recommendation' in this report regarding arrangements being in place to ensure adequate internal audit resources are secured for the future to avoid a limitation of scope in future year's internal audit annual reports.

159

**The Council should ensure arrangements are in place to ensure adequate internal audit resources are secured for the future to avoid a limitation of scope in future year's internal audit annual reports.**

We confirmed that the Governance and Resources Committee received regular updates on the Audit Plan. Internal Audit reviews highlight weaknesses and recommend actions when required to strengthen processes or procedures. These are reported to the Governance and Resources Committee which holds management to account where weaknesses are identified. The Governance and Resources Committee monitors management actions in response to recommendations and this is reported on a regular basis. The Governance and Resources Committee challenges management if recommendations are not implemented within the agreed timeframe.

Based on our discussions with the Head of Internal Audit, our review of the audit plan, audit reports and our attendance at the Governance and Resources Committee where they were discussed we have not identified any significant weaknesses in the ongoing arrangements.

The Council has a Risk Management Policy and Strategy that is periodically reviewed, amended and approved by the Governance and Resources Committee. The departmental risk registers covering operational risks are reviewed, updated and challenged regularly and presented to the Corporate Leadership Team and reported to the Governance and Resources Committee as confirmed from our attendance at meetings and review of agendas and papers.

The Council has implemented a Code of Governance and has published this alongside the Council's Annual

Governance Statement. As part of our audit procedures, we considered the Council's Annual Governance Statement. This included consideration of the Statement and our cumulative audit knowledge. We identified no matters indicating a significant weakness in arrangements.

Procurement and financial-decision-making are subject to suitable levels of segregation of duty to ensure approvals and oversight of financial activity is maintained. As evidenced through the contract procedure rules, financial regulations and scheme of delegation as set out in the Constitution.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

### How the Council approaches and carries out its annual budget setting process

The MTFS recognises the risks and uncertainties facing the Council in terms of future cost pressures, funding arrangements, volatile income levels and potential variations in the costs of the delivery of demand led services in particular. The MTFS is supported by consultation with local authority partners and stakeholders. We have reviewed the budget setting arrangements through observation and discussions with officers. No matters have been identified indicating a significant weakness in arrangements. Overall, the Council is aware of the financial pressures it faces.

### How the Council ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed

In-year budget monitoring reports were not routinely received at Member and Council Leadership Team (CLT) meetings during 2022/23. During 2023/24 improvements have been made to revenue budget monitoring reports and there has been a move to business partnering arrangements between nominated members of the finance team and specific budget holders. The Council intends that this leads to better collaboration and improvements in financial management. New style revenue budget monitoring reports were introduced from September 2023; these include specific reports for directors to give a better oversight of emerging pressures (and where may be reduced spend or increased income). With regard to CLT reporting we are aware that the new Monitoring Officer has been tasked with improving reporting to the CLT and intends introducing regular performance reports which include details regarding the in-year financial position. It is also worth noting that the Council has a good track record of delivering its target outturn through the work of its budget holders. In considering whether this issue is a significant weakness we have taken into account:

### 3. VFM arrangements – Governance

#### Overall commentary on the Governance reporting criteria - continued

- the in-year financial reporting that has been in place to provide assurance to the s151 officer that spending is in line with budget/expectations and that no risks exist in the year that required mitigating action/decisions to be taken;
- the Council's track record in delivering its financial position, and its medium term financial plan;
- the outturn position in 2022/23 which generated an additional c£2m of usable reserves to support the future financial position; and
- the improvements put in place during 2023/24 which include recommencing financial reporting to decision makers.

Having considered such matters we consider this matter is not a significant weakness although we are raising an 'other recommendation' in this report regarding the requirement for in-year budget monitoring reports to be routinely received at Member and CLT meetings.

160

**The Council should ensure that in-year budget monitoring reports are routinely received at Member and CLT meetings.**

The Council has a good record of delivering against its budget and this is evidence of effective arrangements for budgetary control. The Chief Finance Officer is a member of the Corporate Leadership Team and attends key Committee meetings. There is a delegated framework of financial accountability, including identified senior managers to be responsible for financial performance in each service area and a financial reporting timetable for monitoring. The MTFS sets out the Council's approach to meeting corporate savings targets and helps to ensure the Council identifies and implements efficiency and savings opportunities.

Budget Managers are provided with relevant training to undertake their role as budget managers and are provided with budget monitoring information on a regular basis. Each department has a nominated business partner from the finance team to provide advice and support on business decisions. Finance staff also take budget monitoring information into service team meetings for review.

The financial statements timetable is prepared each year to guide the work undertaken. We did not identify any

matters to indicate a significant weakness in the accuracy of the financial information reported or the process for preparing the accounts. In this regard it is worth highlighting that in our experience management takes action to address audit matters in a timely and appropriate manner.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

#### **How the Council ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency.**

Decisions are made in accordance with the Constitution and Scheme of Delegation. Financial procedure rules set the parameters for decision-making on capital investments. Proposals are considered by the Corporate Leadership Team (CLT). The Council uses a business case methodology. Business cases template include details of the project manager, project objectives, scope, outputs, benefits, timescale, resources required (financial & personnel), governance arrangements, prioritisation score (against corporate plan priorities), assessment of data protection & ICT issues, risk assessment & CLT decision. Once approved by CLT this business case forms the basis of a report to the relevant committee or Council.

The Council applies the CIPFA/SOLACE Delivering Good Governance in Local Government Framework. Financial regulations state that "No expenditure introducing major continuing liabilities to the Council, particularly new projects which involve financial commitments in future years, new policy or extension of services, may be incurred without prior consultation with the Director of Resources and the approval of Council either through the budget or separately in the course of the financial year."

Most day-to-day decisions are made by policy committees. Approval of the revenue budget and capital programme is reserved to full Council. In addition, senior officers of the Council make decisions under delegated authority. The Council's constitution outlines how the Council operates and makes decisions. All reports for policy committees and full Council include legal and financial risk assessments. Reports are challenged by the Corporate Leadership Team and at the Chair's Briefings, prior to inclusion on meeting agendas. Equality Impact assessments are required to ensure that the Council does not discriminate against certain groups or individuals, especially those who are disadvantaged or vulnerable.

The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions.



### 3. VFM arrangements – Governance

#### Overall commentary on the Governance reporting criteria - continued

At Governance and Resources Committee, elected members review progress against objectives and through the monitoring of financial and performance information. The Committee manages its work to enable members to look in more detail at individual topics, making recommendations to the Council as appropriate. The Governance and Resources Committee is tasked with ensuring, amongst other things, good stewardship of the Council's resources and promoting proper internal control by reviewing the Council's control systems and monitoring its compliance with legislation, relevant standards, codes of practice and policies.

The Council publishes the outcomes from external reviews and monitors the implementation of any recommended actions through its performance management framework.

The Council implemented measures to ensure that services could continue despite the residual restrictions arising as a result of the COVID-19 pandemic. The arrangements included live streaming to allow the public to observe Council meetings.

We have reviewed Council minutes in the year and have not identified any evidence of a significant weakness in arrangements. The reports we reviewed support informed decision-making and were clear in the decision or recommendation Members were asked to make.

We have not identified any matters from our review to suggest a significant weakness in the committee structure of the Council. It is designed to provide assurance that decision making, risk and performance management is subject to appropriate levels of oversight and challenge.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

#### How the Council monitors and ensures appropriate standards are maintained

The Council's Constitution is reviewed at least annually and sets out how the Council operates, how decisions are made and the rules and procedures which are followed to ensure that these are efficient and transparent to local people.

There are established codes of conduct for members and officers and a register of gifts and hospitality which is available on the Council's website and supported by relevant training. Related parties are recorded on an annual basis and disclosed in the statement of accounts as well as senior officer remunerations. We considered

these disclosures and compared them with the interests declared. Our work did not indicate a significant weakness in arrangements.

The Annual Governance Statement (AGS) is published and reviews the effectiveness of the Council's Governance Framework. Our review of the AGS did not identify any significant weaknesses in arrangements. As noted earlier, a system of scrutiny and oversight is in place and documented in the Annual Governance Statement.

The Council appoint an independent person to support the complaints process in accordance with the requirements of the Localism Act 2011 and publish an Annual Complaints Report which considers the outcome of the complaints raised during the year. The Council also publishes an annual letter from the Local Government Ombudsman.

There is regular reporting of treasury management activity that details the Council's investments, cash and borrowing positions. The Treasury Management Strategy was approved ahead of the 2022/23 financial year and sets out the Council's measures against which treasury management can be assessed. The measures include those designed to mitigate risk to the Council's finances and we identified no evidence to indicate a weakness in arrangements.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

### 3. Commentary on VFM arrangements

#### Improving economy, efficiency and effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services

162



# 3. VFM arrangements – Improving Economy, Efficiency and Effectiveness

## Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria

### How financial and performance information has been used to assess performance to identify areas for improvement

The Council has well established and effective processes for reviewing financial and performance information and using this to inform areas for improvement. Key performance indicators (KPIs) are monitored. Corporate targets and KPIs are regularly reviewed and reported to Members, with action being taken to address areas of poor performance to inform service and improvement planning. Performance information is considered by the Governance and Resources Committee and used to inform budget setting and monitoring.

Areas of adverse performance feed into the Council's strategic risk register where relevant. Our review of the risk register and attendance at Governance and Resources Committee confirms that it covers relevant areas.

The Corporate Leadership Team receive comprehensive financial information to inform the budget setting process. Key members of the Corporate Leadership Team are involved in decision-making around service investment and making savings. Financial reports provide an assessment of the financial outturn position for the year in relation to approved budgets for Revenue, Capital and usable reserves, Collection Fund and Treasury Management issues and also progress against other plans.

The Council has undertaken a review against the CIPFA Financial Management Code, to assess the arrangements it has in place. The Council also undertakes benchmarking exercises to assess areas such as council tax levels. Corporate performance against key performance indicators is also reported. Our work on those reports identified no evidence of a significant weakness in arrangements.

The Council's financial performance is reported on a regular basis together with details of the financial position along with rationale for any changes and factors to be taken into account. Reports include HR implications and impact assessments as appropriate.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

### How the Council evaluates the services it provides to assess performance and identify areas for improvement

The Governance and Resources Committee receives performance updates and feedback from reviews.

The Director of Resources includes a statement on the adequacy of reserves and financial resilience in the annual budget report and Medium Term Financial Strategy, reflecting the CIPFA Financial Resilience Index as well as bespoke benchmarking reports from a consultant to compare reserve levels with other councils. Other areas of benchmarking are undertaken. Our review has not identified any significant weaknesses in arrangements.

Performance monitoring takes place across all services and this is supplemented with surveys across the Council's stakeholders to help improve performance. The Council monitors performance during the year against its Corporate Plan including the monitoring of non-financial key performance information.

Assessment by regulators was limited in the 2022/23 year, but the Council has arrangements in place for responding to any recommendations made as a result of external reviews.

Based on our review of a sample of reports and our understanding of the reporting framework, there is sufficient monitoring, reporting and overall scrutiny of both the performance and the financial position of the Council.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

# 3. VFM arrangements – Improving Economy, Efficiency and Effectiveness

## Overall commentary on the Improving Economy, Efficiency and Effectiveness reporting criteria - continued

**How the Council ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve**

The Council works with local communities, volunteers, voluntary and community organisations. Some examples include:

- Working in Partnership with volunteers from EMH Care & Support who provide day opportunities for people with learning disabilities and autism;
- The Peak District Partnership (formerly the Local Strategic Partnership) bringing together public, private and voluntary sector organisations working in the Derbyshire Dales and High Peak to deliver a shared vision for the Peak District;
- Budget Consultation and meetings held with different groups to understand stakeholder priorities and ensure priorities and areas for improvement are informed;
- <sup>164</sup> Vision Derbyshire which is a partnership of local authorities across Derbyshire, including Derbyshire Dales District Council, which have joined forces to encourage more people living locally to set up their own companies; and
- The Derbyshire Economic Partnership, which comprises the County Council and eight partner district councils looking to take joint initiatives to improve services and amenities.

The Council uses various channels of communication and feedback mechanisms, including social media to reach out to and meet the needs of its communities. During the pandemic, meetings have been streamed live and recordings of meetings are available on the Council website.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

**How the Council commissions or procures services, how the Council ensures this is done in accordance with relevant legislation, professional standards and internal policies, and how the Council assesses whether it is realising the expected benefits**

Key commissioning and procurement decisions are taken by suitably skilled and trained staff to ensure compliance with legislation, professional standards and internal policies. A local authority procurement team provides advice on all relevant procurement decisions.

The Council has outsourced key functions to provide resilience and cost efficiencies. For example, revenues and benefits and internal audit and counter-fraud services.

During the COVID-19 pandemic councils were required to assess and grant supplier relief in accordance with PPN 02/20. In response the Council set up a robust process to assess claims for relief. Regular updates were provided to Corporate Leadership Team.

There is evidence that the Council has arrangements in place to ensure procurement is in accordance with relevant legislation, professional standards and internal policies.

Our work did not identify any evidence to indicate a significant weakness in arrangements.

# 04

Section 04:

## **Other reporting responsibilities and our fees**

165

## 4. Other reporting responsibilities and our fees

### Matters we report by exception

The Local Audit and Accountability Act 2014 provides auditors with specific powers where matters come to our attention that, in their judgement, require specific reporting action to be taken. Auditors have the power to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to the law; and
- issue an advisory notice.

We have not exercised any of these statutory reporting powers.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We did not receive any such objections or questions.

### Reporting to the NAO in respect of Whole of Government Accounts consolidation data

The NAO, as group auditor, requires us to complete the WGA Assurance Statement in respect of its consolidation data.

We issued our Whole of Government Accounts (WGA) Assurance Statement to National Audit Office on xx xxxx 2024. The NAO has not yet given an indication of sampled components. We will not be able to issue an audit certificate formally closing the audit until NAO have provided confirmation in this respect. [We anticipate reporting on WGA immediately after issuing our audit opinion.]

## 4. Other reporting responsibilities and our fees

### Fees for work as the Council's auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum presented to the Governance and Resources Committee in September 2023. Having completed our work for the 2022/23 financial year, we can confirm that our fees are as follows:

Area of work	2021/22 fees	2022/23 fees
PSAA Scale Fee in respect of our work under the Code of Audit Practice	£29,487	£37,239
Recurring increases in the base audit fee arising from regulatory pressures (as reported in the 2019/20 audit)	£7,388 <sup>1</sup>	Included in scale fee
Additional fees in respect of the new VFM approach (recurring)	£6,000	£10,000
Additional fees in respect of new ISA540 requirements in relation to Accounting estimates and related disclosures (recurring)	£2,500	£2,500
Additional fees in respect of new ISA315 requirements in relation to misstatement risk factors (recurring)	-	£5,000
Additional one-off fees for specific 2021/22 issue (work on infrastructure assets)	£5,000	-
Additional one-off fees for specific 2021/22 issue (work on update for triennial pensions)	£2,500	-
<b>Total fees</b>	<b>£52,875</b>	<b>£54,739</b>

Note 1 – we should have increased the 2019/20 recurring fee by 25% to reflect increased rates set by PSAA from 2020/21; we did not do this in 2020/21 in error, but we applied this increase in 2021/22.

All fees are subject to VAT. All additional fees are subject to Public Sector Auditor Appointments (PSAA) approval.

# 4. Other reporting responsibilities and our fees

## Fees for other work

Area of other work	2021/22 fees	2022/23 fees
Planned fee for assurance services - Housing Benefits Return (subject to additional fees if appropriate)	£7,851	£8,086
Planned fees for other work	£7,851	£8,086





# Appendix

169

# A. Further information on our audit of the financial statements

## Significant risks and audit findings

As part of our audit, we identified significant risks to our audit opinion during our risk assessment. The table below summarises these risks, how we responded and our findings. In addition we reported on immaterial unadjusted misstatement, and three internal control recommendations which were accepted by management.

Risk	Our audit response and findings
<p>Management override of controls</p> <p>In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.</p>	<p>We addressed this risk through performing audit work over:</p> <ul style="list-style-type: none"> <li>Accounting estimates impacting amounts included in the financial statements;</li> <li>Consideration of identified significant transactions outside the normal course of business; and</li> <li>Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.</li> </ul> <p>Our audit work has provided the assurance we sought and has not identified any material issues to bring to your attention.</p>

# A. Further information on our audit of the financial statements

## Significant risks and audit findings

As part of our audit, we identified significant risks to our audit opinion during our risk assessment. The table below summarises these risks, how we responded and our findings.

Risk	Our audit response and findings
<p data-bbox="63 328 611 357">Net defined benefit pension asset/liability valuation</p> <p data-bbox="63 385 1235 742">The defined benefit asset relating to the Local Government Pension Scheme represents a significant balance on the Council's balance sheet. The Council uses an actuary for the scheme to provide an annual valuation of this asset in line with the requirements of IAS 19 Employee Benefits. There is a risk that the assumptions and methodology used in valuing the pension obligations are not reasonable or appropriate to the Council's circumstances. This could have a material impact to the net pension asset/ liability in 2022/23. Due to the high degree of estimation uncertainty associated with this valuation, we have determined there is a significant risk in this area. The Council is reporting a net Pension Asset in 2022/23. The pension asset is a complex calculation which incorporates a number of accounting standards including IAS19 and IFRIC14, and includes a requirement to calculate a pension asset ceiling. This is the first time the Council has accounted for a pension asset.</p>	<p data-bbox="1235 328 1528 357">We addressed the risk by:</p> <ul data-bbox="1235 371 2402 1028" style="list-style-type: none"> <li data-bbox="1235 371 2402 428">• critically assessing the competency, objectivity and independence of the Actuary for the Pension Scheme;</li> <li data-bbox="1235 442 2402 585">• liaising with the auditors of the Derbyshire Pension Fund to gain assurance over the design and implementation of controls in place at the Derbyshire Pension Fund. This included the processes and controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS 19 valuation is complete and accurate. The assurance incorporated the information submitted by the Pension Fund for the triennial valuation at 31 March 2022;</li> <li data-bbox="1235 599 2402 685">• evaluating and challenging the work performed by the Pension Fund auditor on the Pension Fund investment assets, and considering whether the outcomes would materially impact our consideration of the Council's share of Pension Fund assets;</li> <li data-bbox="1235 699 2402 756">• reviewing the actuarial allocation of Pension Fund assets to the Council by the actuary, including comparing the Council's share of the assets to other corroborative information;</li> <li data-bbox="1235 771 2402 885">• reviewing the appropriateness of the Pension Asset and Liability valuation methodologies applied by the Pension Fund actuary, and the key assumptions included within the valuation. This included comparing them to expected ranges, utilising information by the consulting actuary engaged by the National Audit Office;</li> <li data-bbox="1235 899 2402 956">• reviewing the actuaries approach to, and calculation of, the pension asset ceiling, and considering the application of the asset ceiling to the recognised pension asset ; and</li> <li data-bbox="1235 971 2402 1028">• agreeing the data in the IAS 19 valuation reports provided by the Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's financial statements.</li> </ul> <p data-bbox="1235 1042 2402 1249">Subject to receiving assurance from the auditors of the Derbyshire Pension Fund regarding the pension estimates involved, our work to date has provided the assurance sought, with only one issue to bring to Members' attention. The initial calculations performed by the actuary showed a net pension surplus of £3,370k, as the fair value of assets was greater than the fair value of obligations. However, there are circumstances under which a pension surplus should not be recognised in full in the statement of accounts, and the actuary had not considered this asset cap in their report. The corrected calculations resulted in a total additional liability of £3,824k, and a final net liability of £454k.</p>

# A. Further information on our audit of the financial statements

## Significant risks and audit findings

As part of our audit, we identified significant risks to our audit opinion during our risk assessment. The table below summarises these risks, how we responded and our findings.

Risk	Our audit response and findings
<p>Valuation of land and buildings and investment properties</p> <p>Property related assets are a significant balance on the Council's balance sheet. The valuation of these properties is complex and is subject to a number of management assumptions and judgements. Due to the high degree of estimation uncertainty associated, we have determined there is a significant risk in this area.</p>	<p>We addressed this risk by:</p> <ul style="list-style-type: none"> <li>critically assessing the scope of work, qualifications, objectivity and independence of the Council's valuers to carry out the required programme of revaluations;</li> <li>considering whether the overall revaluation methodologies used by the Council's valuers are in line with industry practice, the CIPFA code of practice and the Council's accounting policies;</li> <li>assessing whether valuation movements are in line with market expectations by considering valuation trends;</li> <li>critically assessing the approach that the Council adopts to ensure that assets that are not subject to revaluation in 2022/23 are materially correct, including considering the robustness of that approach in light of the valuation information reported by the Council's valuers;</li> <li>sample testing the completeness and accuracy of underlying data provided by the Council and used by the valuers as part of their valuations; and</li> <li>using relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2023.</li> </ul> <p>Our audit procedures have not identified any material errors or uncertainties in the financial statements, or other matters in relation to the valuation of land, buildings and investment property assets.</p>

## Alastair Newall - Director

### **Mazars**

One St Peter's Square  
Manchester  
M2 3DE

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

\*where permitted under applicable country laws.

## Follow us:

### **LinkedIn:**

[www.linkedin.com/company/Mazars](http://www.linkedin.com/company/Mazars)

### **Twitter:**

[www.twitter.com/MazarsGroup](http://www.twitter.com/MazarsGroup)

### **Facebook:**

[www.facebook.com/MazarsGroup](http://www.facebook.com/MazarsGroup)

### **Instagram:**

[www.instagram.com/MazarsGroup](http://www.instagram.com/MazarsGroup)

### **WeChat:**

ID: Mazars

This page is intentionally left blank



# Agenda Item 9

**OPEN REPORT  
GOVERNANCE AND RESOURCES COMMITTEE**

---

**Governance & Resources Committee – 15 February 2024**

**LETTER OF REPRESENTATION 2022/23**

**Report of the Director of Resources**

**Report Author and Contact Details**

Karen Henriksen – Director of Resources  
01629 761284 or karen.henriksen@derbyshiredales.gov.uk

**Wards Affected**

District-wide

**Report Summary**

This report requests that Members consider and endorse the draft Letter of Representation as part of their responsibility for approving the financial statements for 2022/23.

**Recommendation**

That the Letter of Representation be endorsed for signature.

**List of Appendices**

Appendix 1 Letter of Representation 2022/23

**Background Papers**

None

**Consideration of report by Council or other committee**

No

**Council Approval Required**

No

**Exempt from Press or Public**

No

## **Letter of Representation 2022/23**

### **1. Background**

- 1.1 The International Standard on Auditing (U.K. & Ireland) 580 (ISA 580) requires the external auditor to obtain evidence that the Council's management acknowledges its responsibility for the fair presentation of the financial statements in accordance with the applicable financial reporting framework and has approved the financial statements. The auditor can obtain evidence of management's acknowledgement of such responsibility by obtaining a written representation from management and a signed copy of the financial statements.
- 1.2 ISA 580 gives guidance on matters which might be included in a management "Letter of Representation".
- 1.3 In addition, ISA 580 requires the external auditor to obtain evidence that those charged with governance acknowledge their collective responsibility for the preparation of, and have approved, the financial statements. Consideration of the Letter of Representation by the Council alongside the external auditor's Audit Completion Report, prior to the approval of the Statement of Accounts, contributes to that evidence.

### **2. Key Issues**

- 2.1 The Director of Resources' Letter of Representation has been prepared in accordance with that guidance and is given in Appendix 1. The letter contains no matters of concern which need to be brought to the attention of Members.
- 2.2 There is one uncorrected misstatement that has been identified by the external auditor. This is described in Appendix A to the letter, with the reason why it was not corrected.

### **3. Options Considered and Recommended Proposal**

- 3.1 To comply with the International Standard on Auditing 580, it is recommended that the Governance & Resources Committee consider and endorse the Letter of Representation for the financial year ended 31 March 2023.

### **4. Consultation**

- 4.1 In preparing the letter, the Director of Resources has consulted with the Financial Services Manager and members of the Council's Corporate Leadership Team; she has also received advice from the External Auditor regarding the content of the letter.

### **5. Timetable for Implementation**

- 5.1 If the Committee endorses the Letter of Representation, the Director of Resources will sign it as soon as practicable and send it to the external auditor.



## 6. Policy Implications

- 6.1 The Letter of Representation is an important aspect of the Council's corporate governance arrangements. As such, it contributes towards the achievement of all the Council's aims, priorities and targets.

## 7. Financial and Resource Implications

- 7.1 There are no financial risks arising from this report.

## 8. Legal Advice and Implications

- 8.1 As stated, this report requests that Members consider and endorse the draft Letter of Representation as part of their responsibility for approving the financial statements for 2022/23. The legal risk associated with the recommendation has been assessed as low.

## 9. Equalities Implications

- 9.1 There are no equalities implications arising from this report.

## 10. Climate Change Implications

- 10.1 There are no climate change implications arising from this report.

## 11. Risk Management

- 11.1 Should the Letter of Representation not be endorsed, signed or sent, there is a risk that the audit of the Council's accounts for 2022/23 could not be properly concluded, which would be a breach of the Accounts and Audit Regulations.

### Report Authorisation

Approvals obtained from:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	05/02/2024
Director of Resources/ S.151 Officer	Karen Henriksen	07/02/2024
Director of Corporate & Customer Services /Monitoring Officer	Helen Mitchell	7/2/2024



Mr Alastair Newall  
 Director  
 Mazars LLP  
 One St Peter's Square  
 Manchester  
 M2 3DE

Please ask for: Karen Henriksen  
 Direct Dial No: 01629 761284  
 Your Ref.  
 My Ref. RES/KH  
 E-mail: [karen.henriksen@derbyshiredales.gov.uk](mailto:karen.henriksen@derbyshiredales.gov.uk)

15 February 2024

Dear Alastair,

### **Derbyshire Dales District Council - Audit for the year ended 31 March 2023**

This representation letter is provided in connection with your audit of the financial statements of Derbyshire Dales District Council (the Council) for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), as amended by the Update to the Code and Specifications for Future Codes for Infrastructure Assets ("the Code Update"), published in November 2022 and applicable law.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

#### **My responsibility for the financial statements and accounting information**

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), as amended by the Code Update and applicable law.

#### **My responsibility to provide and disclose relevant information**

I have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other material;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Council you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Director of Resources / S151 Officer that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information.

As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

### **Accounting records**

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Council and committee meetings, have been made available to you.

### **Accounting policies**

I confirm that I have reviewed the accounting policies applied during the year in accordance with the Code and International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Council's financial position, financial performance and cash flows.

### **Accounting estimates, including those measured at fair value**

I confirm that any significant assumptions used by the Council in making accounting estimates, including those measured at current or fair value, are reasonable.

I confirm that I am satisfied that the actuarial assumptions underlying the valuation of pension scheme liabilities for IAS19 disclosures are consistent with my knowledge. I confirm that all settlements and curtailments have been identified and properly accounted for. I confirm that all significant retirement benefits have been identified and properly accounted for (including any arrangements that are statutory, contractual or implicit in the employer's actions, that arise in the UK or overseas, that are funded or unfunded).

### **Group Accounts**

I confirm that I have reviewed the accounting transactions of the Council's partnerships and joint ventures and am satisfied that these do not need lead to the need for the Council to prepare group accounts.

### **Contingencies**

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Council have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code and applicable law.

### **Laws and regulations**

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Council has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

### **Fraud and error**

I acknowledge my responsibility as Director of Resources / S151 Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

I have disclosed to you:

- All the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- All knowledge of fraud or suspected fraud affecting the Council involving:
  - management and those charged with governance;
  - employees who have significant roles in internal control; and
  - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others.

### **Related party transactions**

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed to you in accordance with the requirements of the Code and applicable law.

I have disclosed the identity of the Council's related parties and all related party relationships and transactions of which I am aware.

### **Impairment review**

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment and intangible assets below their carrying value at the balance sheet date. An impairment review is therefore not considered necessary.

### **Future commitments**

The Council has no plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

### **Charges on assets**

All the Council's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

### **Subsequent events**

I confirm all events subsequent to the date of the financial statements, and for which the Code and applicable law require adjustment or disclosure, have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

### **Impacts of Russian Forces entering Ukraine**

I confirm that I have carried out an assessment of the potential impact of Russian Forces entering Ukraine on the Council, including the impact of mitigation measures and uncertainties, and that the disclosure in the subsequent events note to the financial statements fairly reflects that assessment.

### **Covid-19**

I confirm that I have carried out an assessment of the on-going impact of the Covid-19 Virus pandemic on the Council, including the impact of mitigation measures and uncertainties, and that the disclosure in the Statement of Accounts fairly reflects that assessment.

### **Brexit**

I confirm that I have carried out an assessment of the potential impact of the United Kingdom leaving the European Union, including the potential outcomes at the end of the Implementation Period, and that the disclosure in the Statement of Accounts fairly reflects that assessment.

### **Banking crisis**

I confirm that I have assessed the impact on the Council of the on-going Global Banking challenges, in particular whether there is any impact on the Council's ability to continue as a going concern, and on the post balance sheet events disclosures. In this regard I confirm that our exposure (either direct cash exposure or direct / indirect through investments) with Silicon Valley Bank, Credit Suisse, Signature Bank or any other bank in a distress situation, is not material.

### **Going concern**

To the best of my knowledge there is nothing to indicate that the Council will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

**Unadjusted misstatements**

I confirm that the effects of any uncorrected misstatements are set out at Appendix A and are immaterial, both individually and in aggregate, to the financial statements as a whole.

Yours sincerely,

**Karen Henriksen CPFA**

**Director of Resources (S151 Officer)**

## **Letter of Representation: Appendix A**

### **Statement of Accounts 2022/23: Unadjusted Misstatements**

The external auditor has identified one unadjusted misstatement.

This misstatement relates to figures shown in the financial statements for income in 2022/23. The external auditor has identified that season tickets and grazing rights income is accounted for on a receipts basis as against making accruals which would result in a £30,000 movement between income and deferred income.

The auditor has identified two transactions (£420.67 in respect of car park season tickets and £250.00 in respect of grazing rights, out of a sample totalling £162,000), where income relating to 2022/23 was accounted for in 2023/24. No adjustments (accruals) were made to the financial statements for 2022/23 to reflect this income. This is because the Council has a policy of not making accruals for less than £500, as officers deem amounts below £500 to be non-material.

The external auditor has extrapolated the impact of the £670.67 non-material cut-off amounts to arrive at a misstatement of £30,000.

Officers' view is that such amounts are not material and would involve unnecessary officer time to address. Therefore, we have chosen not to adjust the financial statements for 2022/23 for £670.67.

This page is intentionally left blank





# Agenda Item 10

**OPEN REPORT  
GOVERNANCE AND RESOURCES COMMITTEE**

---

**Governance & Resources Committee – 15 February 2024**

## **STATEMENT OF ACCOUNTS FOR 2022/23**

### **Report of the Director of Resources**

#### **Report Author and Contact Details**

Karen Henriksen, Director of Resources

01629 761284 or karen.henriksen@derbyshiredales.gov.uk

Gemma Hadfield, Financial Services Manager

01629 761214 gemma.hadfield@derbyshiredales.gov.uk

#### **Wards Affected**

District-wide

#### **Report Summary**

This report provides interpretation of the Statement of Accounts for 2022/22 and highlights the key issues. The report also requests approval of the Statement of Accounts for 2022/23.

#### **Recommendation**

That the Statement of Accounts for 2022/23 is approved.

#### **List of Appendices**

Appendix 1 Aide Memoire for Statement of Accounts 2022/23

Appendix 2 Statement of Accounts 2022/23

#### **Background Papers**

None

#### **Consideration of report by Council or other committees**

No

#### **Council Approval Required**

No

#### **Exempt from Press or Public**

No

## **Statement of Accounts for 2022/23**

### **1. Background**

- 1.1 Under the Accounts and Audit Regulations 2015 the District Council must:
- consider either by way of a Committee or by the Members meeting as a whole the Statement of Accounts;
  - following that consideration, approve the Statement of Accounts by a resolution of that Committee or meeting;
  - following approval, ensure that the Statement of Accounts is signed and dated by the person presiding at the Committee or meeting at which that approval was given; and
  - publish (which must include publication on the Council's website), the Statement of Accounts together with any certificate, opinion, or report issued, given or made by the auditor.

### **2. Key Issues**

- 2.1 The Statement of Accounts 2022/23, shown as Appendix 2 to this report, has been audited by the Council's External Auditors, Mazars LLP. The significant findings of the audit are set out below and in the Audit Completion Report, elsewhere on the agenda for this committee meeting.
- 2.2 Adjusted Misstatements: The external auditor identified two misstatements that were accepted by management and subsequently corrected in the financial statements. Details of the adjusted misstatements are given on page 21 of the Audit Completion Report, in the agenda pack for this meeting.
- 2.3 Unadjusted Misstatements: The external auditor has identified one unadjusted misstatement. Details of the adjusted misstatement are given on page 20 of the Audit Completion Report (Appendix 1) and in the report on the Letter of Representation elsewhere on the agenda for this meeting.
- 2.4 Disclosure amendments: The external auditor also identified three disclosure amendments. Details of the disclosure amendments are given on page 22 of the Audit Completion Report. The Statement of Accounts has been amended accordingly.
- 2.5 The overall financial position as at the 31<sup>st</sup> March 2023 remains the same as that included within the Draft Statement of Accounts and reported to Council in July 2023.
- 2.6 The Audit Opinion will be issued after the Committee has approved the Statement of Accounts and Letter of Representation. As part of corporate governance, the External Auditor is required to report relevant matters relating to the audit to Council (or a relevant committee). The normal statutory deadline of 31<sup>st</sup> July was extended to 30<sup>th</sup> September 2023 for the 2022/23 Statement of Accounts. Due to resource constraints on both sides, there has been a delay in

the preparation of the financial statements and the in the completion of the external audit of the Statement of Accounts for 2022/23.

- 2.7 As the audit has only recently been concluded, this report is presented to this committee for approval of the Statement of Accounts. The External Audit Completion Report and Auditor's Annual Report for 2022/23 from Mazars have been presented as part of another report included elsewhere on the Agenda of this meeting. This report highlights the findings of the Audit.
- 2.8 The Accounts and Audit Regulations state that the accounts must be prepared in accordance with "proper practices". The Local Government Act 2003 defines proper practices as those:
- Which the authority is required to follow by virtue of any enactment, or
  - Which are contained in a code of practice or other document which is identified by the Secretary of State. The Secretary of State has determined that the following document is relevant:
- The Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code), published by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 2.9 The Council's accounts have been prepared to comply with proper practices, as demonstrated by the satisfactory completion of the external audit of the accounts. Compliance can also be checked by reviewing the Statement of Accounts against the Audit Commission's Aide Memoire, which is included as Appendix 1 to this report.

### **3. Options Considered and Recommended Proposal**

- 3.1 The Accounts and Audit Regulations 2015 require that the Statement of Accounts be approved by a resolution of a Committee. The Director of Resources will sign the Statement of Accounts on the day of the committee meeting and the External Auditor has reviewed them and given an opinion. It is therefore recommended that Members approve the Statement of Accounts for 2022/23.
- 3.2 Failure to approve the Statement of Accounts would be a breach of the Accounts and Audit Regulations 2015.

### **4. Consultation & Publicity**

- 4.1 The Draft Statement of Accounts 2022/23 and notice of public rights were placed on the Council's website on the 9th August 2023 and the accounts were available for public inspection from 18th September to 27th October 2023. No objections or questions were received by the external auditor.

## **5. Timetable for Implementation**

- 5.1 Following approval of this Committee and receipt of the Audit Opinion, the Audited Statement of Accounts for 2022/23 will be published as soon as practicable on the Council's website, alongside the Audit Completion Report and final version of the Auditor's Annual Report for 2022/23 (when available).

## **6. Policy Implications**

- 6.1 The Council's financial position is considered in determining all the priorities in the Corporate Plan.

## **7. Financial and Resource Implications**

- 7.1 The accounts have been prepared in accordance with proper practices; the accounts have been independently reviewed by the external auditor. There is therefore no financial risk arising from this report.

## **8. Legal Advice and Implications**

- 8.1 As stated, this report provides interpretation of the Statement of Accounts for 2022/23 and highlights the key issues. The report also requests approval of the Statement of Accounts for 2022/23. This report has been compiled in compliance with the Account and Audit Regulations 2015. The legal risk has been assessed as low.

## **9. Equalities Implications**

- 9.1 Copies of the Statement of Accounts can be provided in other formats on request. There are no other equalities implications arising from this report.

## **10. Climate Change Implications**

- 10.1 There are no other climate change implications arising from this report.

## **11. Risk Management**

- 11.1 Financial and legal risks are described above. No other significant risks have been identified.

### **Report Authorisation**

Approvals obtained from:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	05/02/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	07/02/2024
Director of Corporate & Customer Services / Monitoring Officer	Helen Mitchell	7/2/2024



## APPENDIX 1

### Aide Memoire for Members: Statement of Accounts 2022/23

The purpose of the questions below is to help establish and provide evidence of a robust review of the accounts by the S151 officer and Members.

No.	Issue	Comment and evidence
1	Did the authority achieve the closedown plan (which allows the audited statement of accounts for 2022/23 to be approved by 30 September 2023)?	No. The draft accounts for 2022/23 (subject to audit) were signed by the S151 Officer on 8 August 2023 and published on the Council's website on 9 August 2023. Following the external audit, the draft accounts were sent to Members in February 2024 prior to the Governance and Resources meeting on 15 February 2024 where they are to be considered for approval. The reasons for the delay are explained in the Audit Completion Report elsewhere on the agenda for this committee meeting.
2	Have the auditors received regular updates on the plan and been warned of potential problems?	<p>The auditors received a copy of the plan prior to and at the commencement of the Audit.</p> <p>During and after the closure process discussions have been held with the auditors regarding various areas of accounting.</p> <p>The auditors were given copies of the draft accounts and all requested working papers at the commencement of the audit. Further working papers were provided as queries were raised during the audit.</p>
3	Have staff preparing the accounts attended CIPFA/Mazars workshops and are they aware of the key issues and changes in the CIPFA Code of Practice 2022/23?	<p>CIPFA workshops were attended to provide guidance on technical matters relating to the 2022/23 Statement of Accounts. There were no workshops delivered by Mazars which were attended by accountancy staff.</p> <p>Staff preparing the statements have considered the CIPFA Year-End Bulletin, which highlights key changes.</p> <p>This ensured that staff are aware of the key issues and changes in the CIPFA Code of Practice 2022/23.</p>
4	Do staff preparing the accounts have up to date CIPFA guidance notes for practitioners?	Yes.
5	Have the accounts been checked for casting errors, internal inconsistency and cross referencing? (All	Yes. Excel checks are incorporated into the document to reduce the risk of casting errors and to check internal consistency. Internal consistency and cross referencing is also checked thoroughly by

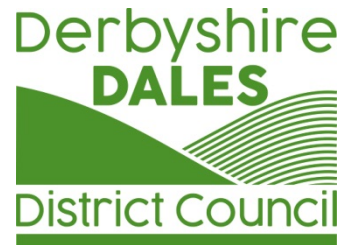
	numbers which are expected to agree do agree).	senior accounting staff. It can be problematic to eliminate all minor inconsistencies, and numbers in the Core Statements take precedence.
6	Does the narrative statement set out the results for the year and comparison to budget, commenting on the significant items?  Do the figures quoted reconcile to the main statements?	Yes – see pages 4 to 20 of the Statement of Accounts.  Yes.
7	Has the audit of the accounts been advertised and accounts made available for public inspection?  Have members of the public raised any objections? (If so, what are they?)	The Draft Statement of Accounts 2022/23 and notice of public rights were placed on the Council's website on the 9 <sup>th</sup> August 2023 and the accounts were available for public inspection from 18 <sup>th</sup> September to 27 <sup>th</sup> October 2023.  A notice of a delay in publishing the Audited Statement of Accounts is currently shown on the Council's website.  No objections were received.
8	Has a bank reconciliation been completed as at 31 <sup>st</sup> March 2023 with no unexplained entries?	Yes. The bank reconciliation for the year ending 31 <sup>st</sup> March 2023 was completed. There were no unexplained entries.
9	Have all year-end control accounts been reconciled?  How have you maintained control when staff are involved in budget preparations Nov – Feb time?  Were there any significant slippages in reconciling suspense accounts e.g. cash suspense?	Yes.  There were sufficient adequately trained staff in the Financial Services Section to undertake control account reconciliations, which was possible as tasks are completed by different staff members to those significantly involved in the budget preparations.  There was some slippage with the production of monthly Bank Reconciliations during the year, due to staff turnover. The process is currently being reviewed and streamlined with a view to increasing resilience within the financial services team.

10	Are there any significant unexplained budget variances?	There are no unexplained variances.
11	Have working papers been completed in accordance with the auditor's "Prepared By Client" list? Were they ready for the start of the audit?	Working papers were completed in accordance with the auditor's "Prepared By Client" list, as well as a working paper for each note to the accounts. All working papers were ready for the start of the audit.
12	Is there a sufficient basket of evidence gathered to allow the S151 officer and members to conclude on the effectiveness of Internal Audit, in relation to the Annual Governance Statement? E.g. Self-assessment by Internal Audit Manager, External Auditor's view of Internal Audit, Heads of Service view of Internal Audit.	<p>The Annual Governance Statement (AGS) for 2022/23, which identifies the Governance Framework and includes a review of its effectiveness, was approved by the Governance &amp; Resources Committee on 14th September 2023.</p> <p>The Internal Audit Annual Report for 2022/22 was considered at the meeting of the Governance &amp; Resources Committee on 20th July 2023. This report includes an opinion on the overall adequacy and effectiveness of the Council's control environment including any qualifications to that opinion. For 2022/23, Head of the Internal Audit Consortium stated that:</p> <p><i>"The results of the work carried out by internal audit are not sufficient to support a Head of Internal Audit annual opinion on the overall adequacy and effectiveness of the organisations framework of governance, risk management and control."</i></p> <p>This limitation of scope has arisen because the Council has not had any internal audit staff for the majority of the financial year 2022/23. This meant that only 3 audit reviews were completed; it has also not been possible to assess what other assurances are in place. A reduced number of audits were also completed in 2020/21 and 2021/22 so sufficient reliance cannot be drawn from previous audit work.</p> <p>A Senior Auditor and Auditor are now in post and making good progress against the internal audit plan for 2023/24. This leads us to expect that the Head of the Internal Audit Consortium will be able to issue an opinion for 2023/24.</p> <p>To comply with the Public Sector Internal Audit Standards (PSIAS) internal and external assessments of internal audit are required. An internal self-assessment against the PSIAS utilising</p>



		<p>the recommended CIPFA checklist is undertaken on an annual basis by Head of the Internal Audit Consortium, and these have concluded compliance with the Standards. An independent external review of Internal Audit was carried out in May 2021. The report concludes that Internal Audit are delivering internal audit services to a standard that generally conforms with the PSIAS. There are no areas where the service does not comply with the standards. This means that Members can have confidence in the service provided by internal audit. It is acknowledged that internal audit has significant experience and appropriate qualifications allowing a robust internal audit standard to be maintained and delivered.</p>
13	<p>Has the action plan from the previous year's Annual Governance Statement been complied with? Are there any remaining control risks that undermine the content of the Annual Governance Statement or the Accounts?</p>	<p>Progress on the action plan for the 2021/22 Annual Governance Statement (AGS) was reported to Committee on 14 September 2023 and is shown in the 2022/23 Statement on page 51 of the Statement of Accounts. There were six recommendations which for 2021/22, five of which had not been completed at 31st March 2023 due to additional workloads during and after the coronavirus pandemic, as well as the impact of vacant posts. These were carried forward in the 2022/23 AGS Action Plan and relate to:</p> <ul style="list-style-type: none"> <li>• the budget gap;</li> <li>• arrangements for asset management;</li> <li>• data protection arrangements;</li> <li>• internal audit staffing resources</li> <li>• arrangements to ensure compliance with grant conditions.</li> </ul>

This page is intentionally left blank



# **Statement of Accounts** **2022/23**

# DERBYSHIRE DALES DISTRICT COUNCIL

## STATEMENT OF ACCOUNTS 2022/23

### Contents

NARRATIVE STATEMENT .....	4
STATEMENT OF RESPONSIBILITIES .....	21
ANNUAL GOVERNANCE STATEMENT 2022/23 .....	22
COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT .....	56
MOVEMENT IN RESERVES STATEMENT .....	57
BALANCE SHEET .....	58
CASH FLOW STATEMENT .....	59
NOTES TO THE ACCOUNTS .....	60
1. ACCOUNTING POLICIES.....	60
2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED.....	72
3. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY.....	73
4. EVENTS AFTER THE REPORTING PERIOD .....	73
5. EXPENDITURE AND FUNDING ANALYSIS .....	74
6. NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS .....	75
7. EXPENDITURE AND INCOME ANALYSED BY NATURE .....	78
8. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS .....	79
9. OTHER OPERATING EXPENDITURE .....	81
10. FINANCING AND INVESTMENT INCOME AND EXPENDITURE.....	81
11. TAXATION AND NON-SPECIFIC GRANT INCOME .....	81
12. PROPERTY, PLANT AND EQUIPMENT .....	82
13. INVESTMENT PROPERTY .....	85
14. FINANCIAL INSTRUMENTS.....	87
15. DEBTORS .....	93
16. CASH AND CASH EQUIVALENTS.....	93
17. CREDITORS .....	93
18. PROVISIONS.....	94
19. TRANSFERS TO / FROM EARMARKED RESERVES.....	95
20. USABLE RESERVES .....	97
21. UNUSABLE RESERVES.....	97
22. CASH FLOW STATEMENT – OPERATING ACTIVITIES.....	102
23. CASH FLOW STATEMENT – INVESTING ACTIVITIES .....	104
24. CASH FLOW STATEMENT – FINANCING ACTIVITIES .....	104
25. EXTERNAL AUDIT COSTS.....	104
26. MEMBERS’ ALLOWANCES .....	104
27. EXIT PACKAGES AND TERMINATION BENEFITS .....	105
28. OFFICERS’ REMUNERATION .....	105
29. GOVERNMENT AND NON-GOVERNMENT GRANTS.....	107
30. CAPITAL EXPENDITURE AND FINANCING .....	108
31. RELATED PARTIES.....	109
32. LEASES.....	109
33. POST EMPLOYMENT BENEFITS: DEFINED BENEFIT PENSION SCHEME.....	110
34. CONTINGENT LIABILITIES .....	116
THE COLLECTION FUND.....	117
AUDIT REPORT .....	120
GLOSSARY OF TERMS.....	121
INVITATION FOR FEEDBACK.....	126

This information is available free of charge in electronic, audio, Braille and large print versions, and in other languages on request. For assistance in understanding or reading this document, please call the Director of Resources, Derbyshire Dales District Council on 01629 761284 or email [S151@derbyshiredales.gov.uk](mailto:S151@derbyshiredales.gov.uk)

# **NARRATIVE STATEMENT**

## **INTRODUCTION**

Derbyshire Dales District Council is one of eight district and borough authorities within the county of Derbyshire employing approximately 223 individuals. It covers an area of 307 square miles with a population of 71,500 people. The northern half of Derbyshire Dales lies within the Peak District National Park between Manchester and Sheffield; the southern part borders the National Forest and the City of Derby. The rural market towns of Matlock, Ashbourne, Bakewell and Wirksworth are the main areas of population with the remaining residents living in surrounding parishes. The major industries are farming, mineral extraction and tourism, but public sector organisations, such as Derbyshire County Council, are also major employers.

The organisational management structure of the Council is headed by the Chief Executive who leads the Corporate Leadership Team consisting of six Directors of Service with responsibility for the following service areas:

- Community & Environmental Services
- Corporate & Customer Services
- Housing
- Regeneration & Policy
- Regulatory Services
- Resources

The purpose of this foreword is to provide a concise and understandable guide for the reader of the accounts of the most significant aspects of the Council's financial and non-financial performance, year-end financial position and cash flows.

## **THE ACCOUNTS**

The accounting treatments applied in the accounts are in line with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code) applicable to local authorities. The information included within these accounts is presented as simply and clearly as possible. However, the accounts of a diverse organisation such as the District Council can contain both complex and technical elements, so this narrative explains some of the statements and provides a summary of the Council's performance for 2022/23.

## **SUMMARY OF THE 2022/23 FINANCIAL YEAR**

The Council incurs revenue and capital expenditure in the year. Revenue spending is generally on items that are consumed within a year and is financed from the council tax, government grants, business rates and various fees and charges. Capital expenditure has to have a benefit beyond one year and is financed by loans, grants, capital receipts or directly from revenue.

## General Fund revenue spending in 2022/23

The General Fund contains all services that the Council is responsible for providing. During 2022/23 the Council faced a number of challenges in successfully managing its financial position however a surplus of £1,956,828 has been achieved mainly as a result of the one-off variances below:

	<b>£ 000's</b>
Improved return on treasury investments	(574)
Additional S31 funding (grant) for Business Rates Relief	(448)
Staffing underspend	(281)
Income from default notices on waste contract	(387)
Other variances detailed in Appendix 2	(267)
<b>Total 2022/23 Surplus</b>	<b>(1,957)</b>

There remains uncertainty on the Government's plans for local government funding reform, including the fair funding review and changes to business rates retention, with the potential of a delay to the implementation of funding reforms. Inflationary pressures are also significant for 2023/24. It is proposed that the 2022/23 surplus be transferred into the Business Rates Fluctuations Reserve (£448,331), Waste Fluctuations Reserve (£386,928) and General Fund Reserve (£1,121,569) to support the Council in responding to future financial pressures.

Further information regarding the Council's 2022/23 out-turn is contained in the Provisional Revenue Out-turn Report 2022-23 reported to Council on 27th July 2023.

The revenue financial performance for the year is set out in the table below:

	Actual 2022/23	Original Budget 2022/23	Revised Budget 2022/23
Chief Executive	509,093	380,322	508,444
Community and Environmental Services	2,893,021	3,037,460	3,280,095
Corporate Services	2,040,227	2,052,177	2,071,082
Housing Services	50,069	410,117	131,631
Regeneration and Policy	535,958	937,410	605,718
Regulatory Services	282,061	1,241,473	492,355
Resources	2,740,618	2,903,859	2,826,229
<b>Net cost of Services</b>	<b>9,051,047</b>	<b>10,962,818</b>	<b>9,915,554</b>
Non-Service Items:			
Interest on Balances	(610,961)	(37,000)	(37,000)
Borrowing Interest Paid	225,227	225,000	225,000
Statutory Debt Repayment	100,849	100,849	100,849
Loan Premium Due	110,924	110,924	110,924
Income from Investment Properties	(102,185)	(102,556)	(102,556)
<b>Net Revenue Expenditure</b>	<b>8,774,902</b>	<b>11,260,035</b>	<b>10,212,771</b>
<b>Appropriations to / from Reserves</b>	<b>(690,955)</b>	<b>(1,738,219)</b>	<b>(690,955)</b>
<b>Funding Requirement</b>	<b>8,083,946</b>	<b>9,521,816</b>	<b>9,521,816</b>
<b>Funded by:</b>			
<b>External Funding</b>			
Retained Business Rates including S31 Grant, Payments to/from Pool	(3,860,887)	(3,412,804)	(3,412,804)
Business Rate Collection Fund (Surplus)/Deficit	2,087,317	2,087,317	2,087,317
CT Collection Fund (Surplus)/Deficit	20,859	20,838	20,838
Rural Services Delivery Grant	(420,990)	(420,990)	(420,990)
Lower Tier Services Grant	(76,631)	(76,631)	(76,631)
New Homes Bonus	(777,636)	(777,636)	(777,636)
Services Grant	(115,477)	(115,477)	(115,477)
Other Government Grants	(71,163)	(266)	(266)
<b>Total External Funding</b>	<b>(3,214,607)</b>	<b>(2,695,649)</b>	<b>(2,695,649)</b>
<b>District Council Tax Requirement</b>	<b>(6,826,167)</b>	<b>(6,826,167)</b>	<b>(6,826,167)</b>
<b>Total Funding</b>	<b>(10,040,774)</b>	<b>(9,521,816)</b>	<b>(9,521,816)</b>
<b>Out-turn</b>	<b>(1,956,828)</b>	<b>0</b>	<b>0</b>
<b>Proposed Transfers to/(from) Reserves</b>	<b>1,956,828</b>		
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Capital Spending in 2022/23

Capital expenditure can be defined as any expenditure to acquire or construct an asset that has a useful life of more than one year, or any continuing expenditure to enhance (not merely maintain) an asset. Capital expenditure may include:

- buying or building a new property
- work to improve or enhance the Council's properties.
- awarding grants for the above types of activity, for example, grants for facilities in disabled residents' homes.

The Capital budget for 2022/23 was set in March 2022 at £6,160,505. This was revised during the year to reflect progress on schemes and the addition of new schemes. The provisional outturn for 2022/23 is £4,233,274.

<b>Council Priority</b>	<b>2022/23 Budget £'000s</b>	<b>2022/23 Actual £'000s</b>	<b>2021/22 Actual £'000s</b>
People	18	8	5
Place	1,012	1,004	2,283
Prosperity	4,254	2,526	1,793
Other	877	695	370
<b>Total Capital Spending</b>	<b>6,161</b>	<b>4,233</b>	<b>4,451</b>

At 31st March 2023, there was an under-spend of £1,927,231 compared to the revised estimate. The material project under and overspends are within the key points below:

- Disabled Facilities Grants (funded by the Better Care Fund): overspent by £24,739. Spending of this grant is demand led. The overspend in 2022/23 is to be funded from DFG balances that were unspent in previous financial years and have been held in the capital grants reserve.
- Social Housing Scheme Calver (funded by grant): £44,000 under spent. This project has been slipped into 2023/24. This scheme is likely to increase in costs, therefore an extra amount of £26,000 is requested for 2023/24 to set the budget at £70,000.
- Housing Acquisitions in Tansley: £839,498 Underspent. Due to timing issues this was carried forward to 2023/24 and has now been spent in the first quarter of 2023/24.
- Eyam/Wirksworth/Matlock Site Appraisals: £55,600 Overspent. Originally profiled to be spent in 2023/24. The profiling has been adjusted to account for expenditure to date.
- LADS Scheme Phase 2: £175,000 Underspent. The budget included the amount to be returned to central government which was paid back in the year.
- Vehicle Replacement Scheme: £207,133 Underspent. Carried forward to 2023/24 as per the updated vehicle replacement programme.
- Capital Salaries: Overspent £29,416. The more ambitious capital programme has resulted in increased officer time on capital schemes.
- Climate Change Efficiency: Underspend £36,383. Project ongoing; underspend slipped to 2023/24.

- Energy Efficiency (off gas grid) HUG1: Underspend £265,042. Ongoing project – underspend to be spent in 2023/24.
- Energy Efficiency (on gas grid) LAD3: Underspend £159,665. Ongoing project – underspend to be spent in 2023/24.
- Wash Down facility: Overspend £37,440. Budget started ahead of schedule. The 2023/24 budget has been adjusted to account for profiling.
- Ashbourne Reborn – Highways and public realm: Underspent £95,032. Delayed start to the project has meant the allocated profiled budget for the year has underspent. The 2023/24 budget has been adjusted to account for this.
- Ashbourne Reborn – Communities: Underspend £117,672. Delayed start to the project has meant the allocated profiled budget for the year has underspent. The 2023/24 budget has been adjusted to account for this.
- Rural Innovation Grants (UKSPF): Underspend £30,000. The budgeted expenditure was profiled to begin in 2022/23. This will now commence in full in the year 2023/24. The budget has been reprofiled.
- Local Authority Housing Fund: Underspend £61,000. One property has been financed through this project within 2022/23. The budget has been reprofiled and will be spent in 2023/24.

## Capital Investment Plans

In July 2023 the Council approved an updated Capital Programme for 2023/24 to 2024/25 totalling £38.450m. The major elements are set out below, analysed by the new corporate plan priorities:

Priority	2023-24 £	2024-25 £	2025-26 £	2026-27 £	2027-28 £	Total Capital Programme £
People	5,199	-	-	-	-	5,199
Place	2,247,192	75,000	50,000	50,000	50,000	2,472,192
Prosperity	18,497,430	14,225,357	601,736	601,736	-	33,926,259
Other	976,727	446,000	198,000	426,000	-	2,046,727
	21,726,548	14,746,357	849,736	1,077,736	50,000	38,450,377

## Capital Resources

The Council has internal resources to finance its capital programme including its strategic reserves and the balance of its Capital Receipts Reserve, although these are depleting. Details of these can be found in the Notes to the Financial Statements. Also available is the use of external borrowing when required. Previously the Council borrowed in respect of Arc Leisure Centre Matlock and for the purchase of Wheeled Bins, which give rise to a Minimum Revenue Provision (see below). The Council has sufficient resources to fund its existing capital programme without further borrowing.

The following table shows how the capital spending in 2022/23 was financed and how it is proposed to finance the capital programme from 2023/24 to 2027/28:

	2022/23 (Out turn) £	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28	Totals £
Sources of Finance: -							
Capital Receipts Reserve	420,511	1,150,631	725,000	80,000	80,000	50,000	2,506,142
Capital Programme Reserve	354,467	925,409	-	-	-	-	1,279,876
S106 Contributions	1,014,563	5,773,352	260,000	-	-	-	7,047,915
Grants	1,940,955	12,353,191	13,375,357	601,736	601,736	-	28,872,975
Economic Development Reserve	10,000	48,000	-	-	-	-	58,000
IT Reserve	18,700	191,852	-	-	-	-	210,552
Invest to Save Reserve	-	562,510	-	-	-	-	562,510
Corporate Plan Priority Reserve	-	201,471	-	-	-	-	201,471
Vehicle Reserve	474,077	495,133	386,000	168,000	396,000	-	1,919,210
Insurance Reserve	-	25,000	-	-	-	-	25,000
<b>TOTAL</b>	<b>4,233,274</b>	<b>21,726,548</b>	<b>14,746,357</b>	<b>849,736</b>	<b>1,077,736</b>	<b>50,000</b>	<b>42,683,651</b>

## Collection Fund and Council Tax and Business Rates Collection

The Collection Fund statement reflects the Council's statutory requirement to maintain a separate account showing all transactions relating to Non-Domestic Rates and Council Tax.

Derbyshire Dales District Council collects council tax on behalf of Derbyshire County Council, Derbyshire Fire and Rescue Authority and Derbyshire Police Authority. Amounts collected, bad debts written off and any surplus or deficit on the collection fund are distributed according to precepts. In 2022/23 £60.9m (£59.3m in 2021/22) was collected from council taxpayers; this represents 95% of council tax that was due by 31 March (96% collected in 2021/22). The final year-end position on the Council Tax Collection Fund is a deficit of £1.55m, (2021/22 £0.41m deficit).

During 2022/23 the Council was part of a business rates pool with other Derbyshire Authorities, and business rates were collected on behalf of Derbyshire County Council and Derbyshire Fire and Rescue Authority. Amounts collected, bad debts written off and any surplus or deficit on the collection fund are distributed according to prescribed shares. In 2022/23, £15.7m was collected from business rate payers (£14.7m in 2021/22); this represents 94.9% of business rates that were due by 31 March, (96.7% collected in 2021/22). The final year-end position on the National Non-Domestic Rates (NNDR) Collection Fund is a deficit of £1m (2021/22 £8.6m deficit).

## Pensions

As part of its terms and conditions of employment the Council offers retirement benefits to its employees. Although these benefits will not actually be payable until the employees retire, the Council has a present commitment to make those payments when employees retire. Note 40 – Post Employment Benefits: Defined Benefit Pension Scheme gives further information and shows that the Council has a net liability of £0.454m at 31 March 2023 (£22.233m at 31 March 2022). This decrease in liability is mainly due to the decrease in the present value of funded liabilities. In calculating the

scheme assets and liabilities the fund actuaries make a number of assumptions about future events. The resulting calculations are subject to uncertainties on the outcome of future events and the value of investments held by the fund. The principal assumptions in relation to these accounts are disclosed in the supporting notes to the accounts.

## Treasury Management Performance

The Council continues to operate a cautious approach to its dealings in the financial markets and accordingly reviews its Treasury Management Strategy regularly. Derbyshire Dales District Council currently deals with commercial entities who have a minimum long-term credit rating of not less than A-, the UK government, other local authorities, and organisations without credit ratings upon which the Council has received independent investment advice.

Interest credited to the Comprehensive Income and Expenditure Statement in 2022/23 was £611K (2021/22 £63K). The average rate of interest on investments was 4.04% (0.58% 2021/22).

The Council held investments of £22.5m at 31 March 2023 (£27.3m on 31 March 2022), this includes long and short-term investments as well as cash held in interest bearing current accounts.

## Reserves and Balances

The following table shows a summary of Reserves. The detailed position on reserves and balances is shown in Notes 24 and 25. It is important to appreciate that many of the reserves are earmarked for specific purposes, and accordingly these funds should not be regarded as being available for general use.

Reserves	Balance at 31 March 2022 £	Contribution in 2022/23 £	Used in 2022/23 £	Balance at 31 March 2023 £
Revenue Reserves	(4,034,146)	(1,113,234)	369,980	(4,777,400)
Capital Reserves	(2,813,808)	(3,588,036)	2,523,216	(3,878,628)
Earmarked Reserves	(17,739,385)	(5,383,300)	6,251,309	(16,871,376)
<b>Total</b>	<b>(24,587,339)</b>	<b>(10,084,570)</b>	<b>9,144,505</b>	<b>(25,527,405)</b>

Following the transfer of the surplus for 2022/23 into the reserves, revenue balances carried forward at 31 March 2023 total £4,777,400 (31 March 2022 £4,034,146). This balance is significant as it reflects the revenue balances that are generally available for new expenditure. The Council has determined that it is prudent to maintain a working balance of £1m to meet emergencies and contingencies, and to assist with cash flow. This balance may also be required in the event that the Council does not achieve the savings required to balance the budget in any financial year after the use of relevant reserves.

The Council holds a number of earmarked reserves to finance future capital and revenue expenditure. The value of earmarked reserves held at 31 March 2023 is £16,871,376 (£17,739,385 at 31 March 2022).

Provisions are made when an event has taken place that gives the Council an obligation that most likely requires settlement, but where the timing or amount are uncertain. The Council has an insurance provision and a provision for Business Rate Appeals, which has grown during 2022/23 based on the latest information received relating to likely appeals. The Business Rate Retention regime places a liability on the Council and other precepting Authorities to refund ratepayers who

successfully appeal against the rateable value of their property on the rating list. The provision represents the Council's estimated share of such liabilities as at the 31st March 2023.

The Balance Sheet demonstrates that net worth has increased by £30.9m during the year to £98.2m, which can be seen on the face of the balance sheet. There is a note to the accounts for every aspect of the balance sheet, which can be viewed to provide further clarity of the movements in year.

## **NON-FINANCIAL PERFORMANCE**

The key document that frames the actions of the Council is the Corporate Plan. The Corporate Plan sets out the District Council's priorities and areas for improvement. These priority areas are:

1. People – Providing you with a high-quality customer experience (2 actions)
2. Place – Keeping the Derbyshire Dales clean, green and safe (10 actions)
3. Prosperity – Supporting better homes and jobs for you (14 actions)

The Corporate Plan 2020-24 identifies a number of priority targets relating to the specific activities to be undertaken this year. These targets are assigned annually to specific teams and service areas for action. They set out how the Council will meet its annual Corporate Plan targets.

In addition, there are 12 Key Performance Indicators (KPIs) that measure the District Council's general organisational health. They cover service areas such as determining planning applications in good time, paying bills on time, collecting Council Tax efficiently, and paying benefits claims promptly.

The table below sets out headline progress against the Council's Corporate Plan actions:

<b><u>Action 2022/23</u></b>	<b><u>Progress Against Key Target</u></b>
<p><b>People</b></p> <ul style="list-style-type: none"> <li>• Complete Annual online survey of residents to establish customer satisfaction and priorities by Oct 2022 and report to Council by Jan 2023.</li> <li>• Develop a sustainable Medium Term Financial Plan by 31 March 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Survey complete, draft report received from external consultants 20 April 23. Results to inform the development of the Corporate Plan.</li> <li>• A revised MTFP was approved at Council on 2 March 2023 as part of the budget setting process.</li> </ul>
<p><b>Place</b></p> <ul style="list-style-type: none"> <li>• Implement energy efficiency and heat decarbonisation measures at Matlock Town Hall, Northwood Depot and ABC by March 2023.</li> <li>• Complete feasibility studies for the installation of ground mounted solar PV arrays on Derbyshire Dales District Council land by June 2022.</li> <li>• Undertake community engagement and provide advice to rural communities through the use of 4 'Fantastic Homes' exhibitions by March 2023.</li> <li>• Deliver 1 'green exhibition' to showcase solutions to the climate crisis by September 2022.</li> <li>• To provide options and any associated costs for Members to make a decision on the way forward with a view to introduce more publicly accessible EV charging points within public car parks by March 2023.</li> <li>• Develop and implement a recycling education and promotional programme and identify further opportunities by March 2023.</li> <li>• Develop a COVID-19 remembrance tree planting scheme by March 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Contracts awarded and equipment ordered. Project re-scoped due to budgetary increases - LED light replacement complete at Town Hall. Main works due to begin in Q1 23/24.</li> <li>• Viability of project dependent on removal of restrictive covenant on land – negotiations ongoing.</li> <li>• All four visits have been successfully completed.</li> <li>• Event took place in Hall Leys Park – 30th July 2022.</li> <li>• Capital funding for £64,000 was approved at Council in November (dependent on the outcome of the feasibility study which has yet to take place).</li> <li>• Development of recycling education and promotional programme complete, All Primary and Junior Schools contacted within the Derbyshire District.</li> <li>• Plans for a community tree planting scheme in Ashbourne on Fishpond Meadow Feb/March 2023.</li> </ul>

<ul style="list-style-type: none"> <li>• Commence implementation of Clean and Green review action plan by March 2023.</li> <li>• Complete work and submit Green Flag application for Ashbourne Recreation Ground by March 2023.</li> <li>• Work with partners to adopt an Air Quality action plan and start to implement the measures identified therein by March 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• To be presented to Council on 16 March, if approved, implementation will start immediately after that.</li> <li>• Application for Green Flag will be submitted in January 2023.</li> <li>• Draft AQAP accepted for public consultation with the inclusion of additional action points. Consultation on hold due to local elections. Go live in May 23 for 6 weeks.</li> </ul>
<p><b>Prosperity</b></p> <ul style="list-style-type: none"> <li>• Finalise the masterplan for the Phase 1 site and promote the initial development of Ashbourne Business Park by March 2023.</li> <li>• Implement Regeneration Service restructure by July 2022 to drive investment in brownfield and other key strategic housing/employment sites.</li> <li>• Prepare a Levelling Up Fund bid and submit to the Government by the round 2 deadline of 6<sup>th</sup> July 2022.</li> <li>• Complete the shell construction for the redevelopment of the Bakewell Road, town centre site in Matlock by March 2023.</li> <li>• Minimum of 400 social media followers of Invest in Derbyshire Dales by March 2023.</li> <li>• Assist 75 small and medium sized businesses by March 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• Negotiations continuing with landowners.</li> <li>• Options for recruitment to remaining posts under consideration.</li> <li>• Government announced Ashbourne Reborn LUF bid successful Jan 2023. MoU signed Feb 2023 and programme mobilisation underway.</li> <li>• Tenders undergoing evaluation. Contractor appointment subject to acceptable tender.</li> <li>• Opportunities to boost follower numbers being considered for 2023/24.</li> <li>• Achieved – the service has also assisted 9 clients to secure £129,510 of external grant funding through direct support.</li> </ul>

<ul style="list-style-type: none"> <li>• The Council will acquire 10 additional homes and provide a further 33 affordable homes with our housing association partners in 2022/23 [note, likely to be a mix of rented, shared ownership, new build or acquisitions].</li> <li>• Provide adaptations to the homes of 70 disabled people by March 2023.</li> <li>• The Council will adopt the higher empty homes premiums in April 2022. From May 2022 the Empty Homes Officer will be in post and will contact all owners of empty homes vacant for more than 6 months.</li> <li>• Deliver a permanent site to meet identified Traveller needs by March 2023.</li> <li>• The district will accommodate 4 new refugee families by March 2023.</li> <li>• Amend our Contract Standing Orders and adopt social value principles within our new Sustainable Procurement Strategy by June 2022.</li> <li>• Commission consultants to undertake a more detailed assessment of options for delivery of a sustainable Derbyshire Dales by May 2023. Complete detailed assessment of options by May 2023 and submit Local Plan modifications to the Secretary of State and Commerce by April 2024.</li> <li>• The Council will enable and provide debt and welfare advice to 300 vulnerable households by March 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• In 2022/23 a total of 9 homes are now owned by the Council and 15 new homes have been built via housing associations. A further 21 properties are due via Council ownership in quarter 1 of 2023/24. 6 properties owned by Housing Associations are due in quarter 1 of 2023/24.</li> <li>• 30 grants were completed in Q4, bringing the total to 68. Monthly monitoring of DFG approvals and completions continues.</li> <li>• Achieved: All Empty Homeowners contacted. Of the 237 properties that have responded, 86 of these properties are now no longer empty. 38 of the properties are in probate, 37 are listed for sale/auction, 20 have been sold awaiting completion, 7 are derelict/demolished and have been de-listed for council tax and 49 are undergoing renovation.</li> <li>• Work in progress – being led by Director of Housing.</li> <li>• Achieved – 6 families accommodated in total.</li> <li>• The delay in reviewing Financial Regulations led to the Contract Standing Orders not being considered by Council by June. These were considered and approved by the Council on 29 September 2022.</li> <li>• Currently on target to meet deadline of assessment of options by May 2023.</li> <li>• Achieved – we have provided debt and welfare advice to 381 cases.</li> </ul>
---	--



## PERFORMANCE MANAGEMENT

The District Council's performance Management process is the means of measuring, monitoring and improving the Council's progress in achieving its targets. Targets include Corporate Plan Actions, KPIs and Service Specific objectives which are detailed in the Corporate Plan and Service Plans. Good performance and areas for improvement are identified through quarterly reporting processes.

By managing its performance, the District Council demonstrates that it knows:

- what its priorities are
- what its targets are
- actions it must take to achieve targets.
- measures progress
- informs where it is appropriate to take remedial action to address underperformance.

A traffic light system of reporting is used to signify the progress and success of actions:

**Green** = action achieved

**Amber** = signifies delay (action has been achieved later in the year than planned or will be completed soon after year end)

**Red** = actions not achieved in target time scale and not likely to be achieved in Q1 of 2023/24.

## COUNCIL PERFORMANCE – OUTTURN 2022/23

In summary, of the 26 Corporate Plan performance action indicators for the financial year 2022/23 for which data is available, 21 were fully or partially achieved, 3 indicators were still being progressed, as Table 1 shows. Table 1 also shows performance against KPIs, with nine being fully or partially achieved.

	Totals	Green	Amber	Red
Corporate Plan Actions	26	18	3	5
Key Performance Indicators	12	9	0	3
<b>TOTAL</b>	<b>38</b>	<b>27</b>	<b>3</b>	<b>8</b>

The number of Corporate Plan actions that were fully achieved is 18 (69%) compared to 9 (75%) of the Key Performance Indicator targets. 3 (11.5%) of the Corporate Plan actions are amber and zero KPI's are amber. These projects were either achieved later in the year than their target or soon after the 2023/24 year began. 5 (19%) of the Corporate Plan targets were not achieved and 3 (25%) of the KPI's. Corporate Plan actions tend to be more project based, one-off projects and involve a range of partners; they are therefore normally more complex and have a longer-term duration.

Of the Council's 12 **Key Performance Indicators**, 75% were fully achieved and 25% were not achieved. The table below summarizes outturns for 2022/23.

Service Area / CMT Lead	Description	2022/23 Target	Full Year
<b>Organisational Health</b>	% of undisputed invoices paid on time	99%	99.42%
	% of household waste which has been sent for reuse, recycling, composting or anaerobic digestion.	58.5%	53.7% average based on 3 quarters.
	Average no. working days lost due to sickness absence per FTE per annum is targeted at 9 days; per quarter the target is 2.25 days  (It is important to note that all Covid-19 related absence data has been recorded separately from the main sickness absence data up until July 2022. As a result, Covid-19 related sickness absence is not included in any of the reported District Council's sickness absences statistics in the period from April to June 2022. However, Covid-19 related sickness absence has been included within the figures from July 2022, so is or will be represented in quarters 2, 3 & 4).	2.25 per quarter	Q1= 2.437 Q2 = 2.56 Q3 = 3.09 Q4 = 1.65  Average: 2.43 days per quarter
<b>Housing</b>	The % of homeless households seeking assistance from the Council, for whom this intervention helped resolve their situation	75%	79.9%
<b>Planning</b>	% of major planning applications determined in 13 weeks or agreed extension of time period	>75%	96%
	% of minor planning applications determined in 8 weeks or agreed extension of time period	>77%	84%
	% of other planning applications determined in 8 weeks or agreed extension of time period	>90%	90.4%
	% of appeals allowed against the LA's decision to refuse planning permission	<30%	30%
<b>Revenues and Benefits</b>	% Council Tax collected within the year  (Collections have been impacted by the cost-of-living crisis. Collection of outstanding amounts will continue in 2023/24).	98.4%	97.8%
	% of Non-Domestic Rates collected within the year  (Collection of outstanding amounts will continue in 2023/24).	97.3%	97%

Service Area / CMT Lead	Description	2022/23 Target	Full Year
	Speed of processing new claims for housing benefit and Council Tax support	24 days	11.14 days
	Speed of processing: notifications of changes in circumstances	8 days	5.56 days

Notable successes include:

- Speed of processing new claims for Housing Benefit and Council Tax support is less than half the target length, at 11 days.
- 96% of major planning applications determined in 13 weeks or agreed extension of time period.

## **KEY EVENTS AND ISSUES FOR 2022/23 AND BEYOND**

### **Achieving a sustainable, balanced budget**

Looking ahead, the key issue facing Derbyshire Dales District Council is the need to produce a sustainable, balanced budget in the face of rising inflation and costs, declining government support, and significant uncertainty of how the future now looks.

While the outcome of the Financial Settlement for 2024/25 is awaited, officers are undertaking a review of budgets to identify the significant cost pressures and to develop options that could be considered by Members so that a balanced budget can be set for 2024/25. One option is to use reserves in 2024/25 while plans are developed further, but that will not be sustainable in the medium or long term.

It is hoped that from 2024/25 onwards the Government will issue financial settlements for more than one financial year, giving more certainty for financial planning.

The Council will continue to explore commercial and investment opportunities to help it to achieve a sustainable financial future. The overall aim of this approach is that the Council will be far less reliant on government funding and will become more self-sufficient. The approach will focus on income generation and investment in economic development that will lead to growth. In the longer term, this approach will provide the Council with more financial resilience than depending on government grants.

There are ongoing major projects outlined below that are being undertaken that will significantly influence the Council's ability to balance its budget in the future. There is also a requirement for significant work and expertise to ensure that the best outcome for the Council and residents is achieved.

### **Council House Building Programme**

The Council is both an enabler and provider of affordable homes. The Council supports housing associations to identify suitable opportunities to develop or acquire new homes and can use its own capital finance to meet the development costs of affordable housing. Working with Nottingham Community HA as the Council's Development and Managing agent, the Council has a small but growing portfolio of new affordable homes which provides a new revenue stream to the Council. The Council continues to receive government grants for revenue and capital projects that both prevent homelessness and provide new homes. Some of these grants would normally have been passed on to third parties to deliver, but the Housing Department is now able to directly provide services, particularly in relation to refugees and homelessness support.

### **Climate Change Action Plan**

The Council's Climate Change Strategy and Action Plan was received in September 2020 and has since been supplemented with a delivery plan approved at Council. The Council have capital funding in place for the decarbonisation of Ashbourne Leisure Centre, Arc Matlock, Wirksworth Leisure Centre, Town Hall, and Agricultural Business Centre and are developing plans for the solar farm alongside preparing to deal with an electric fleet at the depot. In the future the Council aim to develop plans to decarbonise Bakewell Leisure Centre and Northwood Depot alongside additional work at the town hall. Externally significant capital funding has been levered in to retrofit housing in the area as part of the Government's Green Homes Grant Local Authority Delivery (LAD) and Homes Upgrade Grant (HUG) schemes.

### **Matlock Regeneration – Bakewell Road**

The Bakewell Road Regeneration Project, Matlock, will convert the unattractive, underutilised former indoor Market Hall to enable provision of a new indoor leisure attraction for Matlock (a two-screen cinema), and will enclose part of the covered legacy bus bay area to provide an

ancillary commercial use (a retail / food & beverage unit). The project's business case and capital investment has secured Council approval. It is intended that works will complete during 2023/24.

### **Local Plan Review**

A review of the Derbyshire Dales Local Plan was legally completed in January 2022. The Council determined that it would like to set out a new approach to the Local Plan and as such it is reviewing its priorities for the future. During 2023/24 future options are anticipated to be consulted upon. Examination and adoption is now likely to take place in 2025.

### **Ashbourne**

Ashbourne Airfield is the largest employment location in the Derbyshire Dales and the focus of the district's manufacturing economy. A new roundabout access and link road has been constructed opening up 9 hectares of new employment land and additional land for some 1,500 new homes. The District Council has been awarded £15 million Levelling Up Funding for the regeneration of Ashbourne Town Centre. The District Council is the accountable body for this programme which involves multiple delivery partners and contractors.

### **Other Corporate Plan Priorities**

During 2023/24, a new Corporate Plan is being developed. Priorities and plans in the new Corporate Plan must be fully costed and future decisions will need to take both revenue and capital finance into account.

## **STATUTORY STATEMENTS**

The Council's statutory statements comprise:

### **Statement of Responsibilities**

This statement sets out the respective responsibilities for the accounts of the authority under Local Government legislation and other requirements, and those of the Director of Resources, who is the Council's Chief Financial Officer. Under the Code of Practice, the Director of Resources must sign the Statement of Responsibilities stating that the accounts present a true and fair view of the financial position of the Council.

### **Annual Governance Statement**

This statement sets out the District Council's governance arrangements, within which financial control and risks of the authority are managed and reviewed. The statement identifies any significant control issues and action being taken to address them. This statement must be certified by the Chief Executive and the Leader of the Council.

### **Auditor's Report**

This report provides the independent auditor's opinion on the accounts.

## **FINANCIAL STATEMENTS**

The Statements required by the Code are explained in the notes below:

### **Comprehensive Income and Expenditure Statement**

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

### **Movement in Reserves Statement**

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e., those that can be applied to fund expenditure or reduce local taxation) and 'unusable reserves'. The Statement shows how the movements in year of the Council's reserves are broken down between gains and losses and incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

### **Balance Sheet**

This is fundamental to the understanding of the Council's year-end financial position. The Balance Sheet shows the reserves at the Council's disposal, its long-term indebtedness, the assets employed in its operations and current liabilities. The Balance Sheet excludes Trust Funds.

### **Cash Flow Statement**

This statement summarises the inflows and outflows of cash arising from transactions with third parties for both revenue and capital purposes.

### **Notes to Financial Statements**

These are notes relating to the preceding financial statements which explain and provide additional information to figures included in the core statements.

### **Expenditure and Funding Analysis**

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

### **Collection Fund**

This reflects a statutory requirement to maintain a separate Collection Fund. It shows the transactions of the Council as a billing authority in relation to business rates and the council tax and illustrates the way these have been distributed to Central Government, precepting authorities and the General Fund.

# STATEMENT OF RESPONSIBILITIES

## The Authority's responsibilities

The Authority is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority that officer is the Director of Resources.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Approve the Statement of Accounts.

## The Director of Resources' responsibilities

The Director of Resources is responsible for the preparation of the authority's Statement of Accounts in accordance with proper practices as set out in Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code).

In preparing this Statement of Accounts, the Director of Resources has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the Code.

The Director of Resources has also:

- kept proper accounting records which were up to date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

## DIRECTOR OF RESOURCES CERTIFICATE

I certify that the accounts set out on pages 56 to 119 present a true and fair view of the financial position of the Council at 31 March 2023.

K Henriksen, C.P.F.A.

Director of Resources

Date: 15 February 2024

## APPROVAL BY GOVERNANCE & RESOURCES COMMITTEE

Councillor N Wilton

Chair of Governance & Resources

Date of Meeting: 15 February 2024

# ANNUAL GOVERNANCE STATEMENT 2022/23

## Introduction

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\*.

Corporate governance is about making sure that the council is run properly. It relates to the systems, processes, values and culture which ensure that the Council develops, delivers and reviews the services it provides, works collaboratively and engages with and leads the community it serves. 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.

Good corporate governance 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.

The processes being reviewed in this Statement have operated throughout the whole of the financial year ending 31 March 2023, except where stated, and will remain in operation up to the date of approval of the 2022/23 Statement of Accounts (expected by 15 February 2024). 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 2022/23 is the CIPFA/SOLACE publication "Delivering good governance in local government", issued in April 2016.



### How do we know that our arrangements are working?

The Council operates in a complex and constantly evolving financial, policy and legislative environment. The role, responsibilities and funding models of local government continue to be in a period of transition. The Council's Corporate Plan sets out its priority actions.

Every year a review of the effectiveness of the Council's governance framework is conducted by the Corporate Leadership Team, supported by officers from internal audit, 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;
- An assessment of compliance with CIPFA's Financial Management Code;
- 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 2022/23 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 2022/23 is indicated by





Areas for improvement are highlighted by







This year **five** 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.


**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"> <li>➤ We have set out our priorities in our Corporate Plan;</li> <li>➤ 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;</li> <li>➤ Our values have been embedded in policies and processes;</li> <li>➤ Our Contract Standing Orders 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;</li> <li>➤ We make sure that employees and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements;</li> <li>➤ We strive to optimise usage of the full powers available for the benefit of residents, communities and other stakeholders;</li> <li>➤ We deal with breaches of legal and regulatory provisions effectively;</li> <li>➤ We have effective arrangements to deal with incidents involving misuse of power;</li> <li>➤ We have effective arrangements for the discharge of the head of paid service function.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Corporate Plan</a></li> <li>• Councillors' Code of Conduct</li> <li>• Report to Council (26/01/23) on Members Allowances from the Independent Remuneration Panel</li> <li>• Employee Code of Conduct</li> <li>• Planning Code of Good Practice</li> <li>• Protocol on Employee/Member Relations – Constitution</li> <li>• <a href="#">Constitution</a></li> <li>• <a href="#">Sponsorship Guidelines</a> published on website</li> <li>• <a href="#">Risk Management Policy and Strategy</a></li> <li>• Risk assessments included in reports to committees and Council</li> <li>• Annual Complaints Report</li> <li>• Confidential Reporting (Whistleblowing) Policy</li> <li>• Anti-Fraud, Bribery and Corruption Policy</li> <li>• Corporate Enforcement Policy</li> <li>• Regulation of Investigatory Powers Act Surveillance Policy &amp; Annual Report</li> <li>• Protocol on the Management of the Civic Allowance (part of the Constitution)</li> <li>• Inductions for new members and employees</li> <li>• Annual Performance and Development Reviews</li> </ul>	<div style="text-align: center;">  </div> <p style="text-align: center;">A Corporate Plan setting out our vision and improvement priorities for 2020 – 2024 was approved in March 2020 and reviewed in March 2022 when 27 specific targets were set for 2022/23. Progress against targets is monitored quarterly.</p> <div style="text-align: center;">  </div> <p style="text-align: center;">The Anti-Fraud, Bribery and Corruption Policy (including Money Laundering) was reviewed and updated during 2018/19. It was due for a review in 2020/21, but this has been deferred to 2023/24 due to resources being diverted to addressing the impact of coronavirus during 2020/21 and 2021/22 and subsequent backlog of work. A review is planned in 2023. This is not seen as a significant governance issue.</p>



	<ul style="list-style-type: none"> <li>• Job Evaluation Panel</li> <li>• Complaints Policy</li> <li>• Employee recruitment, interview and selection procedure</li> <li>• Job descriptions</li> <li>• Compliance with CIPFA's "Statement on the Role of the Role of the Head of Internal Audit"</li> <li>• Compliance with CIPFA's "Statement on the Role of the Chief Financial Officer in Local Government"</li> <li>• Records of legal advice provided by officers</li> <li>• Monitoring Officer provisions</li> <li>• Procurement Strategy and Sustainable Procurement Policy</li> <li>• Information Governance Framework</li> <li>• Data Protection Policy</li> <li>• Contracts with service providers.</li> <li>• Reports from the Local Government Ombudsman &amp; Annual Report to Governance &amp; Resources Committee</li> <li>• Audit reports issued by Food Standards Agency (none issued in 2022/23)</li> <li>• Food Law Enforcement Service Business Plan (reported to Committee in September 2022)</li> <li>• 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.</li> </ul>	<p>Our internal audit reviews in 2022/23 have not identified any incidents of fraud. However, the number of reviews carried out has been fewer than usual due to vacant posts within internal audit. This means that that an audit opinion cannot be provided.</p> <p style="text-align: center;"></p> <p>In September 2022 we approved a revised Procurement Strategy and a new Sustainable Procurement Policy for the period to 2026 to meet the Council's commitments under the Climate Change Action Plan</p> <p style="text-align: center;"></p> <p>It has been identified that there is a lack of awareness amongst some employees of what is required to ensure compliance with Financial Regulations. Following the review of financial regulations and contract standing orders that will be raised and training, guidance and support provided.</p> <p style="text-align: center;"></p> <p>It has been identified that the Information Governance Framework and Data Protection Policy need a review.</p>
--	---	--

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"> <li>➤ Our Committee and Council meetings are open to the public and agendas, reports, minutes and video recordings are available on our website;</li> <li>➤ The minutes of our meetings provide clear reasoning and evidence for decisions;</li> <li>➤ The Council is compliant with the Openness of Local Government Bodies Regulations 2014;</li> <li>➤ On our website we publish key performance indicators, financial information and details of the earnings, interests and activities of our Members and senior managers.</li> <li>➤ 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.</li> <li>➤ We operate clear and accessible arrangements for procuring supplies and services.</li> <li>➤ We have regular meetings with larger Town and Parish Councils to ensure that we work more closely.</li> <li>➤ We have a programme of forums / workshops to engage with local businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• <a href="#">Constitution</a></li> <li>• <a href="#">Corporate Plan</a></li> <li>• Reasoned decisions at quasi- judicial meetings</li> <li>• FOI Publication Scheme</li> <li>• Details of spending over £250 on website</li> <li>• Regulation of Investigatory Powers Act 2000 Policy</li> <li>• Data Protection Policy</li> <li>• Council and Committee decisions</li> <li>• Report templates with specific reasons for exemptions from publication</li> <li>• Web casting and recording of meetings</li> <li>• Public Participation Scheme</li> <li>• Area Community Forums</li> <li>• Market Traders Forums</li> <li>• Town and Parish Council Conference</li> <li>• Matlock Bath Illuminations Group</li> <li>• Council website</li> <li>• Calendar of meetings</li> <li>• Communications Strategy</li> <li>• Community &amp; Engagement Strategy</li> <li>• Equality, Consultation and Engagement Plan</li> <li>• Equality and Diversity Policy</li> <li>• Annual Equality and Consultation Plan</li> <li>• Residents' Panel</li> <li>• Business Engagement Programme</li> <li>• <a href="#">Statement of Community Involvement</a></li> </ul>	<p style="text-align: center;"></p> <p>During 2022/23 we received 716 Freedom of Information requests (up from 662 in 2021/22 and 621 in 2020/21). We responded to 600 FOI requests (84%), redirected 109 (15%) to Derbyshire County Council and 7 requests (1%) were withdrawn. Where requests were covered by exemption, we gave details of the exemption in our response; the most common reason for exemption (9 requests) was that the information was already accessible by other means.</p> <p>Contract Standing Orders and Financial Regulations were reviewed and updated in September 2022.</p> <p>The Equality and Consultation and Engagement Plan provides structured frameworks for the District Council's equality, consultation and engagement activities. Progress is reported to Council annually. A Residents Survey was undertaken throughout October and November 2021, using online and postal surveys, face to face interviews and responses from the Online Residents Panel. 1,818 responses were received, which is an increase of over 400% from 2020.</p>

	<ul style="list-style-type: none"> <li>• Record of consultations and use of feedback from consultations</li> <li>• Contract standing orders</li> <li>• Financial Regulations</li> <li>• Procurement Strategy</li> <li>• Reasons for decisions recorded in all regulatory and quasi-judicial matters</li> <li>• All reports include options, consultations and risk assessments</li> <li>• Procurement decisions require a clear audit trail including reasons</li> <li>• All recruitment decisions are reasoned and recorded</li> </ul>	<div style="text-align: center;">  </div> <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 focusing 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>The Local Government Association Peer Challenge team made several recommendations to address a series of challenges. In July 2020 the Council approved a Peer Challenge Action Plan to address these issues. Progress on implementing some aspects of the Action Plan has been delayed owing to officers focusing on other higher priority work during the coronavirus pandemic. However, the Peer Review Action Plan was reviewed and updated at Council on 25th November 2021 and in September 2022.</p>
--	---	---

**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"> <li>➤ We have set out our priorities, aims, vision and values in our Corporate Plan;</li> <li>➤ We set key performance indicators for each year and monitor actual performance against targets;</li> <li>➤ We have a medium-term financial strategy to ensure our financial sustainability;</li> <li>➤ We operate an effective system of risk management;</li> <li>➤ Our reports include options, consultation and timetables along with assessments of implications relating to policy, financial, resources, legal, equalities, climate change and risk management;</li> <li>➤ We carry out equality impact assessments to ensure fair access to services.</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Plan &amp; Priorities</li> <li>• Service Plans</li> <li>• Community &amp; Engagement Strategy</li> <li>• Equality, Consultation and Engagement Plan</li> <li>• Risk Management Strategy</li> <li>• Medium Term Financial Strategy</li> <li>• Annual Revenue Budget</li> <li>• Capital Programme &amp; Prudential Indicators</li> <li>• Annual Governance Statement (part of the Statement of Accounts)</li> <li>• Annual Audit Report from external auditor includes as assessment of Value for Money;</li> <li>• Financial Regulations – Constitution</li> <li>• Contract Standing Orders – Constitution</li> <li>• Asset Management Plan</li> <li>• Climate Change Strategy and Action Plan</li> <li>• Equality Impact Assessments</li> <li>• Area Community Forums</li> <li>• Planning: Material Considerations</li> <li>• Committee Reports</li> <li>• Consultation feedback is taken into account at the point of decisions</li> </ul>	<p style="text-align: center;"></p> <p>We have a target to pay 99% of non-disputed supplier invoices within 30 days. In 2022/23 we paid 99.4% of non-disputed supplier invoices within 30 days – only 28 undisputed invoices were paid late.</p> <p style="text-align: center;"></p> <p>Working with our partner, Chesterfield Borough Council, we supported 22,404 households by paying a £150 energy rebates, totalling £3.36m</p> <p style="text-align: center;"></p> <p>There are risks associated with the Accountable Body status for the Levelling Up and UKSPF schemes. These risks are significant and have been assessed as ‘high’. Moreover, the staffing implications of managing the finances of such a large programme cannot be underestimated. To reflect this, a Programme Manager is in place for Ashbourne Reborn and UKSPF to co-ordinate required activities and reporting requirements for the Council. Further support is anticipated through the recruitment of a Claims and Monitoring Officer that will have appropriate LUF support responsibilities in addition to UKSPF activities.</p>

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"> <li>➤ Our reports include options, consultation and timetables along with implications relating to policy, financial, resources, legal, equalities, climate change and risk management;</li> <li>➤ We consult and use feedback from residents and service users when making decisions about significant service changes;</li> <li>➤ 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;</li> <li>➤ 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.</li> <li>➤ We consider and monitor risks facing each partner when working collaboratively, including shared risks</li> <li>➤ We review service quality regularly</li> <li>➤ Our medium term financial strategy integrates and balances service priorities, affordability and other resource constraints</li> </ul>	<ul style="list-style-type: none"> <li>• Consultation and review of feedback including Area Community Forums</li> <li>• Risk Management Group &amp; Risk Registers</li> <li>• Key Performance Indicators</li> <li>• Service Plans</li> <li>• Medium Term Financial Strategy Medium Term Financial Plan Budget preparation in accordance with agreed strategy and MTFP.</li> <li>• Budget guidance and processes, including revised estimates</li> <li>• Capital Programme process and working group</li> <li>• Annual Audit Report from external auditor</li> <li>• Confidential Reporting (Whistleblowing) Policy</li> <li>• Anti-Fraud, Bribery and Corruption Policy</li> <li>• Regulation of Investigatory Powers Act Surveillance Policy</li> <li>• Annual Review of Complaints</li> <li>• Calendar of meetings</li> <li>• Communications Strategy</li> <li>• Minutes of regular monitoring meetings with outsourced service providers including details of compliance with Key Performance Indicators</li> </ul>	<div style="text-align: center;">  </div> <p>We updated our Medium-Term Financial Strategy in March 2021 and our Medium-Term Financial Plan in March 2023. This was less frequently than usual owing to staff vacancies. The reduced frequency 2022/23 was not viewed as a significant governance issue. However, the Council's Medium Term Financial Plan needs to be updated more regularly during 2023/24 to reflect the impact of rising inflation and to show how the Council plans to address the budget gap for future years. See Principle 6 for further information.</p> <div style="text-align: center;">  </div> <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>The draft External Audit Annual Report, issued in July 2022, did not identify a significant weakness in arrangements to identify significant financial pressures, to bridge funding gaps and identify achievable savings and to managing risks and gaining assurance over the effective operation of internal controls, including the prevention and detection of fraud.</p>

<p>➤ We aim to achieve 'social value' through service planning and commissioning.</p>		<p>In 2020/21 we made a Declaration of Air Quality Management Area (AQMA) for nitrogen dioxide in relation to Buxton Road and St John's Street in Ashbourne. We continued to monitor air quality levels in 2021/22 and 2022/23. An action plan in response to the AQMA in Ashbourne has been in development and has been reported through the Community &amp; Environment Committee. Public consultation on the draft action plan has been completed and will be reported to the Community &amp; Environment Committee in September</p> <p>We have regular meetings with contractors who provide outsourced services.</p> <p>The leisure management contract with Freedom Leisure is monitored monthly for service standards and to discuss the monthly report. Quarterly meetings take place to discuss the overall contract performance. The year-end figure for participation was at 95% of normal operations, up from 91% in 2021/22, Ashbourne is up to 105% with ongoing work taking place to increase participation across all sites. No penalties were issued to Freedom in 2022/23.</p> <p>The revenues and benefits service is delivered by Chesterfield Borough Council under a Service Level Agreement. Monthly meetings are held to discuss key performance indicators and service issues. In 2022/23 Chesterfield Borough Council achieved all the key performance indicators in the Revenues and Benefits contract, except for those relating to in-year and prior year collection of council tax. These were impacted by the coronavirus pandemic and the Council's decision to take a light touch to debt recovery from March 2020 to August 2021.</p>
---	--	---






There was a suspension of KPIs on the waste and recycling contract, in line with the suspension of services. This suspension of services related to the collection of food waste, which was suspended from 1 – 10 April 2022, so KPIs for food waste were suspended during this period.


Due to the disruption experienced on the contract, meetings and reviews of service performance are taking place on a more frequent basis than stipulated in the contract specification, including members of both District Council's and Serco's senior management team. Monthly Contract reviews with additional weekly reviews remain in place.


In addition, because of underperformance in 2022/23, the Council has applied the maximum number of financial deductions to the contract, and those penalties are yet to be paid as the Council has not received Year 3 billing data for approval to date.


A review of the arrangements for letting the waste contract was undertaken by an independent consultant during 2021/22. The findings were reported to Council in February 2022. The report recommendations include the following governance issues:

- To maintain and extend dialogue with the
- contractor to help manage contract behaviour and address outstanding issues and under performance;
- To resolve issues relating to incomplete management information and round optimisation;

		<ul style="list-style-type: none"> <li>• That the Corporate Leadership Team re-establishes a corporate approach to overseeing the critical success factors of implementing the contract, reacting to unsatisfactory performance and advising Members of on-going options for future delivery;</li> <li>• That a review of the corporate management capacity is undertaken to ensure that future transformational and modernisation projects are adequately resourced.</li> </ul> <p>The report recommendations were implemented during 2022/23.</p> <p>A review of In-house feasibility of the waste contract was undertaken by an independent consultant during 2022/23. The findings are being considered by officers and are yet to be reported to Council in 2023.</p> <p style="text-align: center;"></p> <p>In 2022/23 we carried out public consultation exercises on:</p> <ul style="list-style-type: none"> <li>• Conditions and outcomes for private landlords and tenants</li> <li>• Budget 2023/24</li> <li>• Biodiversity Project</li> <li>• Customer satisfaction with three parks</li> <li>• Electric vehicle charging points</li> <li>• Residents' survey for Corporate Plan</li> <li>• Public Space Protection Orders</li> <li>• Community Safety</li> <li>• Car Parking</li> <li>• Matlock Bath Illuminations customer satisfaction.</li> <li>• Polling districts and polling places.</li> </ul>
--	--	---

		 <p>We have recognised that the loss of corporate organisational knowledge and experience aligned to increased staff turnover resulted in some budget monitoring policies and procedures not being implemented as robustly as is required during 2022/23. However, at the time of writing this AGS all senior posts in financial services had been filled. Engagement with budget holders is now more frequent and meaningful and improved budget monitoring reports are to be launched during 2023/24.</p>
--	--	--

<b>PRINCIPLE 5 - Developing the entity's capacity including the capability of its leadership and the individuals within it</b>		
How we meet this principle	Source of assurance	Successes and Areas for Improvement
<ul style="list-style-type: none"> <li>➤ We recognise the benefits of partnerships and collaborative working;</li> <li>➤ All employees have an induction and an annual Performance and Development Review;</li> <li>➤ We have a Member Code of Conduct, inductions and a Member Training and Induction Programme to ensure that elected and appointed leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Constitution</li> <li>• Scheme of Delegation</li> <li>• Member Development Scheme</li> <li>• Employee Development Scheme</li> <li>• Member Training and Development Programme</li> <li>• Annual corporate and vocational training plan agreed by CLT</li> <li>• Insight – Internal management development programme</li> <li>• Member Induction</li> <li>• Member Representative roles</li> </ul>	 <p>We work collaboratively with other partners as follows:</p> <ul style="list-style-type: none"> <li>• Chesterfield Borough Council delivers our revenues and benefits service and Internal Audit Management.</li> <li>• North East Derbyshire District Council provides our ICT service.</li> </ul>

<p>understanding their roles and the Council's objectives</p> <ul style="list-style-type: none"> <li>➤ Our Constitution includes a Scheme of Delegation that sets out clearly the decisions that are delegated to officers</li> <li>➤ The leader and the chief executive have clearly defined and distinctive leadership roles</li> <li>➤ We take steps to consider the leadership's own effectiveness and to ensure leaders are open to constructive feedback e.g., from peer review and inspections</li> <li>➤ We encourage shared learning, including lessons learned from governance weaknesses both internal and external;</li> <li>➤ There is a public participation session at the beginning of Council and Policy Committee meetings,</li> <li>➤ We have arrangements in place to support the health and wellbeing of our employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Induction</li> <li>• Job Descriptions and Person Specifications</li> <li>• Arrangements for succession planning</li> <li>• Annual review of Scheme of Delegation, Contract Standing Orders and Financial Regulations</li> <li>• LOLA – internal training programme</li> <li>• Peer Reviews</li> <li>• Efficient use of systems and technology</li> <li>• Shared Learning: Notes of Management Meetings, Peer Reviews, Hubs, Benchmarking, Networking with other local authorities &amp; through membership of organisations such as the Local Government Association.</li> <li>• Human Resource Policies</li> <li>• Employee counselling service</li> <li>• Work of Health &amp; Safety Committee</li> <li>• Active Workplace Programme</li> <li>• Employee Group</li> <li>• Senior Management Team</li> <li>• Trade union recognition and consultation.</li> <li>• Carbon Literacy Training</li> </ul>	<ul style="list-style-type: none"> <li>• Derbyshire Building Control Partnership, which is made up of 8 local authorities, to deliver the local authority building control function.</li> </ul> <p style="text-align: center;"></p> <p>Our Performance and Development Review action plans are linked to the priorities set out in our Corporate Plan.</p> <p>During 2022/23 the following mandatory training was undertaken by employees:</p> <table border="1" data-bbox="1350 608 2101 970"> <thead> <tr> <th>Course Title</th> <th>Numbers Attended</th> </tr> </thead> <tbody> <tr> <td>Safeguarding and Child Protection</td> <td>30</td> </tr> <tr> <td>Safeguarding Adults at Risk</td> <td>32</td> </tr> <tr> <td>Managing Health &amp; Safety</td> <td>33</td> </tr> <tr> <td>Equality Act 2010</td> <td>32</td> </tr> <tr> <td>Display Screen Equipment</td> <td>20</td> </tr> <tr> <td>Data Protection (Foundation) 2020</td> <td>29</td> </tr> <tr> <td>Data Protection (Data Security) 2020</td> <td>30</td> </tr> <tr> <td>Prevent (Counter Terrorism (2021)</td> <td>32</td> </tr> </tbody> </table> <p>In addition:</p> <ul style="list-style-type: none"> <li>• 15 new and aspiring managers undertook an in-house Management Development Programme (Dales Insight);</li> <li>• Circling Squares provided development to the Corporate Leadership Team;</li> <li>• The Corporate Leadership Team supported staff development through vocational and corporate training.</li> </ul>	Course Title	Numbers Attended	Safeguarding and Child Protection	30	Safeguarding Adults at Risk	32	Managing Health & Safety	33	Equality Act 2010	32	Display Screen Equipment	20	Data Protection (Foundation) 2020	29	Data Protection (Data Security) 2020	30	Prevent (Counter Terrorism (2021)	32
Course Title	Numbers Attended																			
Safeguarding and Child Protection	30																			
Safeguarding Adults at Risk	32																			
Managing Health & Safety	33																			
Equality Act 2010	32																			
Display Screen Equipment	20																			
Data Protection (Foundation) 2020	29																			
Data Protection (Data Security) 2020	30																			
Prevent (Counter Terrorism (2021)	32																			



The member training programme for 2022/23 was delivered containing the following items:



Course Title	Numbers Attended
Annual Planning Training	13
Licensing and Appeals Training	7
Modern.Gov App and Extranet Training	17
Safeguarding Training	6
Scrutiny Training	8
Data Protection Training	11


In 2021/22 we had 18 leaders/senior officers and 3 councillors certified as Carbon Literate by the Carbon Literacy project. We have a programme in place for carbon literacy continuing training. In 2022/23 a further 6 senior leaders/Members attended Carbon Literacy training.



ICT security awareness ICT security awareness training is mandatory for new employees who use ICT and it has to be refreshed every 2 years by all ICT users. In 2022/23 216 ICT users, including staff and Members completed the ICT Security Awareness training. Reminders have been sent to the 31 officers and 17 councillors who have not yet completed the training.

**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"> <li>➤ We have robust arrangements for risk management including a Risk Management Group that meets regularly to review Strategic Risks;</li> <li>➤ Our risk management strategy and policies on internal control are aligned with corporate priorities;</li> <li>➤ The risks associated with delivering services through third parties are set out in our risk registers;</li> <li>➤ We have arrangements in place to prevent fraud, bribery and corruption;</li> <li>➤ We encourage effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making</li> <li>➤ We provide members and senior managers with regular reports on service plans and on progress against Key Performance Indicators;</li> <li>➤ We report on a consistent basis between specification stages (such as budgets) and post implementation reporting (e.g. financial statements).</li> <li>➤ 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;</li> </ul>	<ul style="list-style-type: none"> <li>• Risk Management Strategy</li> <li>• Risk Management Group</li> <li>• Strategic and Service Risk Registers</li> <li>• Risk Management Annual Report</li> <li>• Risk assessment of all Committee/Council decisions</li> <li>• Internal audit and reports</li> <li>• External audit and reports</li> <li>• Annual Governance Statement</li> <li>• Financial Regulations</li> <li>• Contract Standing Orders</li> <li>• Transparency &amp; Open Source Data</li> <li>• Medium Term Financial Strategy &amp; Medium Term Financial Plan</li> <li>• Anti-Fraud, Bribery and Corruption Policy</li> <li>• Treasury Management Strategy</li> <li>• Regular budget reporting and income monitoring (revenue and capital)</li> <li>• Regular reporting on service plans and performance against KPIs</li> <li>• Information Governance Framework &amp; Strategy</li> <li>• Designated Data Protection Officer</li> <li>• Data protection policies and procedures</li> <li>• Information sharing agreements</li> <li>• Data Privacy Impact Assessments</li> </ul>	<div style="text-align: center;">  </div> <p>The external auditor's Annual Report for 2021/22 was issued in June 2023. In respect of Value for Money arrangements, the report states "No significant weaknesses in arrangements were identified and there are no recommendations from our work."</p> <p>During 2022/23 we made improvements to our budget monitoring reports and monitoring related to the capital programme.</p> <p>During 2022/23 the Corporate Leadership Team received monthly reports showing major revenue income streams against budget.</p> <div style="text-align: center;">  </div> <p>The External Auditor's Audit Completion Report for 2021/22, presented to the Governance and Resources Committee in July 2023 identifies three significant audit risks:</p> <ul style="list-style-type: none"> <li>• Management override of controls;</li> <li>• Risk of an error in the valuation of the net defined benefit pension liability;</li> <li>• Risk of an error in the valuation of property, plant and equipment.</li> </ul>

<ul style="list-style-type: none"> <li>➤ The Governance and Resources Committee provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment;</li> <li>➤ The Governance &amp; Resources Committee monitors the implementation of recommendations from internal audit reviews.</li> <li>➤ 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</li> <li>➤ We review and audit the quality and accuracy of data used in decision making and performance monitoring</li> <li>➤ Our financial management arrangements support both long term achievement of outcomes and short-term financial and operational performance</li> <li>➤ All reports to Council and policy committees include a financial risk assessment.</li> </ul>	<ul style="list-style-type: none"> <li>• Procedure for Data Protection Security Breaches</li> <li>• Checks on access to data and systems</li> <li>• ICT systems patched regularly &amp; kept up to date</li> </ul>	<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> <p style="text-align: center;"></p> <p>A report to the Governance &amp; Resources Committee in July 2023 indicated that the audit plan for 2022/23 has not been fully completed (see principle 7 below). This follows a similar report for 2021/22. The reduced number of audits completed was because the work of the senior auditor was redirected onto business support grant work during and after the coronavirus pandemic in 2021/22, followed by the resignation of the two employees in internal audit in June / July 2022 and subsequent difficulties in filling the vacant posts. A Senior Auditor was appointed from May 2023 and an Auditor from July 2023. While the team is now fully staffed, the delivery of the 2023/24 audit plan will be adversely impacted. Therefore, a revised audit plan for 2023/24 is due to be presented to the Governance &amp; Resource Committee in November 2023</p>
--	--	--



The Council's Medium-Term Financial Plan identifies a potential budget gap in future years. To mitigate this risk, the Council has a Medium-Term Financial Strategy and Medium-Term Financial Plan in place. However, the Council's Medium Term Financial Plan needs to be updated to show how it plans to address the budget gap for future years. Rising inflation will significantly increase the budget gap, though this could be partially offset by increased income from investments arising from higher interest rates and improved treasury management. Therefore, the MTFP will be kept under review by the Corporate Leadership Team and an action plan will be developed to maintain a sustainable balanced budget.

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 in future. It is expected that the Local Government Finance Settlement, due in late 2023, will bring more certainty for 2024/25 but there will still be uncertainties and difficulties in financial planning in the medium term. A parliamentary election is due in 2024, bringing more uncertainty. It is now expected that the outcome of the government reviews - Fair Funding Review and the Business Rates Retention Baseline Review - will be delayed by government and changes will not be introduced until 2026/27. The Medium-Term Financial Plan will be updated. As a further mitigation measure, the Council has reserves and



balances that could be used to balance the budget for 2024/25 and 2025/26 while a savings plan is developed and the Medium-Term Financial Plan is updated to ensure that subsequent budgets are financially sustainable over the medium term.





The standards set out in CIPFA's Financial Management Code apply from 2021/22. A baseline assessment reported to the Governance and Resources Committee in March 2021 indicated that there were six principles / standards identified as less strong, with a need for improvement and action; an action plan is in place, but little progress was made in 2021/22 due to staffing resources being diverted to additional work arising from the coronavirus pandemic and in 2022/23 due to vacant posts. It is expected that the outstanding actions will be addressed in 2023/24. None of the issues have been identified as significant governance issues. See separate section below.




In 2022/23 weaknesses were identified in the arrangements for ensuring that systems are in place to meet grant conditions. In September 2022 Financial Regulations were strengthened in this regard. However, employee awareness still needs to be raised.

		<p>We have recognised that the loss of corporate organisational knowledge and experience aligned to increased staff turnover resulted in some budget monitoring policies and procedures not being implemented as robustly as is required during 2022/23. However, at the time of writing this AGS all senior posts in financial services had been filled. Engagement with budget holders is now more frequent and meaningful and improved budget monitoring reports are to be launched during 2023/24.</p>
--	--	--

**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"> <li>➤ Our reports are written in a style avoids jargon and can be understood by the public;</li> <li>➤ Our reports and minutes of meetings are available on our website;</li> <li>➤ We prepare an Annual Governance Statement that reports on compliance against our corporate governance framework;</li> <li>➤ Our financial statements are prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations</li> <li>➤ The Governance &amp; Resources Committee undertakes the core functions of an audit committee and ensures that recommendations for corrective action made by external audit are acted upon</li> <li>➤ We have an effective internal audit service where the Internal Audit Consortium Manager has direct access to</li> </ul>	<ul style="list-style-type: none"> <li>• Annual report on Service plans and performance management</li> <li>• Annual review of Corporate Governance framework</li> <li>• Annual Governance Statement</li> <li>• Review of actions recommended by internal audit service</li> <li>• Statement of Accounts</li> <li>• Audit Strategy Memorandum and Annual Audit Letter from External Auditor</li> <li>• Anti-fraud, bribery and corruption policy and reporting</li> <li>• Data Protection Officer and two Information Governance Officers in place</li> <li>• Compliance with CIPFA’s Statement on the Role of the Head of Internal Audit</li> <li>• Compliance with Public Sector Internal Audit Standards</li> </ul>	<div style="text-align: center;">  </div> <p style="text-align: center;">We report to Members regularly on performance against targets.</p> <div style="text-align: center;">  </div> <p style="text-align: center;">In 2022/23 only 3 out of 26 (11.5%) of audits planned at the start of the year were completed. Two audit areas received substantial assurance and one gave reasonable assurance. There were</p>

234

<p>members to provide assurance with regard to governance arrangements and that recommendations are acted upon</p> <ul style="list-style-type: none"> <li>➤ We welcome peer challenge, reviews and inspections from regulatory bodies</li> <li>➤ We have clear governance arrangements in place for partnership arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• Minutes of meetings from Partnership Board Meetings and Operational Review Meetings.</li> <li>• Annual Complaints Report to Governance &amp; Resources Committee</li> </ul>	<p>no reports in 2022/23 with limited or inadequate assurance.</p> <p>Significant governance issues raised during the audit reviews are disclosed elsewhere in this annual governance statement.</p> <p>The implementation of some internal audit recommendations was delayed in 2021/22 and 2022/23 due to staff resources being redirected during the coronavirus pandemic and subsequent delays. Such delays related to asset management and data protection. A report is due to be presented to the Governance &amp; Resources Committee in November to show that most of these outstanding recommendations have been implemented.</p>  <p>An internal audit report has identified opportunities to strengthen our arrangements for data protection (see action plan). Whilst 8 data breaches, incidents or near misses were identified in 2022/23 (down from 24 in 2021/22), none were serious enough to be reportable to the Information Commissioner's Office (ICO). In March 2023 a Data Protection Audit identified that the Council is not fully meeting 20% of expectations within the ICO's Accountability Tracker, which covers 13 broad areas across all of the criteria. To address these areas and to meet ICO expectations, the Information</p>
---	--	---

Governance needs additional support and resources.

Reporting of data security incidents is actively encouraged; incidents are reviewed by the Information Governance Board to identify lessons to be learned and areas for improvement. The Information Governance Officer has utilised the staff intranet to promote data privacy awareness and best practice amongst colleagues.



The Local Government Association Peer Challenge team made several recommendations. In July 2020 the Council approved a Peer Challenge Action Plan to address these issues. Progress on implementing some aspects of the Action Plan has been delayed owing to officers focusing on other higher priority work during the coronavirus pandemic. However, the Peer Review Action Plan was reviewed and updated at Council in November 2021 and September 2022.

## **How the Council operates**

### **The Council**

During 2022/23 the Council was composed of 39 councillors elected every four years; the number reduced to 34 following the elections held in May 2023. Prior to that elections were last held in May 2019. Councillors are democratically accountable to the residents of their respective wards. 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 must agree 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 as the Council. Meetings of the Council are normally open to the public. Here Councillors decide the Council's overall strategies and policies and set the budget and council tax 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. There is provision for public participation and meetings are live-streamed on the internet. The Civic Chair 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.

### **237 The Council's Constitution**

Derbyshire Dales District Council has adopted a Constitution that sets out how the Council operates, how decisions are made and the procedures that 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 that 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 Constitution is kept under review and amendments are approved at the Annual Meeting of the Council in May each year, or at other times as necessary.

### **How decisions are made**

Most day-to-day decisions are made by policy committees. The Council has two 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. There is provision for public participation where residents can present their views to councillors in person.

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 purpose of the Governance and Resources Committee is to consider specific issues or aspects of policy, procedure or service relating to specific services. The main services within the Committee's remit include asset management, central support services, data protection, digital transformation and ICT, electoral administration and registration, financial governance, human resources, legal and corporate governance, member support and development, procurement, revenues and benefits and risk management.

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.

Here are some of the key tasks that the Council has delegated to this Committee:

- To have an overview of the Governance framework and to develop and review supporting policies and procedures;
- 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 External Auditor's reports on issues arising from the Audit of Accounts, the External Audit Plan, the Annual Audit Letter etc.
- To approve and review the internal audit plan, consider major findings of 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.
- To be responsible for the effective management of the Council's land, buildings and property holdings;
- To act as the main "financial committee" to regulate and control the finances of the Council as defined in the Local Government Act 1972;
- To determine policy in relation to the Council's duties and responsibilities as an "employer" and in relation to human resources, employee training and development and industrial relations issues;
- To determine policy and oversee arrangements in relation to the Council's duties and responsibilities under the Data Protection Act;
- To undertake the role of the standards committee.

### **The role of the Community & Environment Committee**

The purpose of the Community & Environment Committee is to consider specific issues or aspects of policy, procedure or service relating to specific services. The main services within the Committee's remit include Waste Collection and Recycling, Parks, Street Cleansing, Car Parking, Leisure Services, Public Conveniences, Cemeteries, Climate Change, Environmental Health, Public Health and Safety, Economic Development and Housing.

## **The scrutiny committee**

The purpose of the scrutiny committee is to provide an independent review of Council decisions either before or after they have been made; to provide an independent review of decisions made by certain partner authorities and to make recommendations regarding the decisions made.

## **Area Community Forums**

To give local people a greater say in Council affairs, there are 3 Area Community Forums. These cover the Northern, Central and Southern areas of the District and are 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. They are held in public at various meeting venues throughout the District.

## **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. The Protocol is part of the Constitution. 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.

## **Citizens' Rights**

Citizens have a number of rights in their dealings with the Council. These are set out in more detail in Article 3 of the Constitution. Some of these are legal rights, whilst others depend on the Council's own processes. The local Citizens' Advice Bureau can advise on individuals' legal rights. Where members of the public use specific council services, for example as a leisure centre user or as an applicant for planning permission, they have additional rights. These are not covered in the Constitution.

Citizens have the right to:

- Vote at local elections if they are registered
- Contact their local councillor
- Obtain a copy of the Constitution
- Attend meetings of the Council and its committees except where, for example, personal or confidential matters are being discussed
- Petition to request a referendum on a mayoral form of executive
- Participate in the Council's Public Participation Scheme
- Attend committee and Council meetings where key decisions are being discussed or decided
- See reports and background papers, and any record of decisions made by the Council and its committees.
- Complain to the Council about the exercise of any of its functions through the Complaints Scheme.
- Complain to the Council's Monitoring Officer about the behaviour of one of its Councillors or the behaviour of a local Parish/Town Councillor

- Complain to the Ombudsman if they think the Council has not followed its procedures properly. However, they are recommended to do this after using the Council's own complaints process
- Inspect the Council's accounts and make their views known to the external auditor.

### **The Corporate Plan**

The Corporate Plan sets out the vision and improvement priorities for Derbyshire Dales District over the four years following an election. It is the key strategy from which the District Council's Budget and Service Plans cascade. There are 3 broad priority areas:

- People - providing you with a high quality customer experience
- Place - keeping the Derbyshire Dales Clean, Green and Safe; and
- Prosperity - supporting better homes and jobs for you.

### **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 usually 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, to encourage responsible, informed risk taking.

### **240 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 Whistleblowing Policy that advises staff and others who work for the Council how to raise concerns about activities in the workplace.

### **Monitoring Officer**

The Director of Corporate and Customer Services is the Council's appointed Monitoring Officer. The Monitoring Officer is responsible for maintaining the Constitution, ensuring lawfulness and fairness of decision-making, promoting high ethical standards 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 (also known as the Section 151 Officer). This is a statutory post, responsible for ensuring lawfulness and prudence of financial decision-making and the administration of the Council's financial affairs. 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, though these will be improved when the action plan for CIPFA's Financial Management Code has been fully implemented. While the internal audit provision has been limited in 2021/22 and 2022/23 as explained in this Statement, and it has not been possible for the Head of Internal Audit to give an opinion on the effectiveness of the control framework, no matters of significance that have been identified to the Director of Resources 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 monitors key income streams on a monthly frequency. The Corporate Leadership Team monitors performance against the annual budget, capital programme and medium-term financial plan.

A system of budgetary control is in place, which is enforced by the Corporate Leadership Team. Budget holders are identified for each revenue service or capital project and they are provided with monthly budget monitoring reports. Training, support and guidance is provided by the Financial Services Team.

Capital projects are only put forward for Committee/Council 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.

**The Council has a Medium-Term Financial Strategy that shows the overall direction of the Council's financial position 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 an expected reduction in government funding. 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 rising inflation and further potential reductions in government funding. The Council has reserves and balances that could be used in the short term to address any savings requirements for 2024/25 and 2025/26 while a thorough review of income and expenditure is undertaken, and an action plan developed. Given the amount set aside in usable revenue reserves, the timing of the required savings, and the uncertainty surrounding council funding (arising mainly from the outcome of the anticipated level of the government's Fair Funding Review and its review of the Business Rates Retention scheme), the Council's approach to meeting the Corporate Savings Target and closing the budget gap has been to refrain from significant service reductions until the outcome of the government reviews is known. However, the Council's Medium Term Financial Plan now needs to be updated to show how it plans to address impact of rising inflation and address the widening budget gap in future years. Therefore, the MTFP will be kept under review by the Corporate Leadership Team and an action plan will be developed to maintain a sustainable balanced budget over the medium term.**

There is a separate section (below) relating to the CIPFA Financial Management Code.

### **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 2022, which is due for review in the event of any significant changes being made to the PSIAS. The Charter sets out the role of internal audit and its responsibilities and clarifies its independence.

The Head of the Internal Audit Consortium 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. The results of internal audit work concluded during the year are presented in the annual report.

In 2022/23 only 3 out of 26 (11.5%) of audits planned at the start of the year were completed. Two audit areas received substantial assurance and one reasonable assurance. There were no 'limited' or 'inadequate' assurance levels reported in 2022/23.

Where weaknesses have been identified through internal audit review, management have agreed appropriate corrective actions and a timescale for improvement. Reports are presented to the Governance & Resources Committee to inform them of the outcome of audit reviews and progress on implementing recommendations.

The Internal Audit Annual Report sets out the Head of the Internal Audit Consortium's opinion relating to the adequacy and effectiveness of the Council's control environment. For 2022/23, it is considered by the Head of the Internal Audit Consortium that insufficient assurance work has been carried out to allow her to form an opinion on the adequacy and effectiveness of Derbyshire Dales District Council's governance, risk and control arrangements.

The lack of an internal audit annual opinion is a breach of the Public Sector Internal Audit Standards has been reported to the Governance and Resources Committee and identified as a significant governance issue in the annual governance statement.

During 2020/21 to 2022/23, the implementation of some internal audit recommendations was delayed due to staff resources being redirected during the coronavirus pandemic and a subsequent backlog of work. Such delays related to asset management and data protection. A report is due to be presented to the Governance & Resources Committee in November to show that most of these outstanding recommendations have been implemented.

At the time of writing this report both the Senior Auditor and the Internal Auditor positions have now been filled and work on the internal audit plan for 2023/24 has commenced, with a focus on high and medium risk areas. While the team is now fully staffed, the delivery of the 2023/24 audit plan will be adversely impacted by the vacancies in the first part of the year. Therefore, a revised audit plan for 2023/24 is due to be presented to the Governance & Resource Committee in November 2023.

An external review of Internal Audit was undertaken in 2021. The independent report concludes that current services are assessed to 'generally conform' with the PSIAS and compare favourably with peers; there are no areas where the service does not comply with the standards. The recommendations arising from the review have now been meaning that Members can have confidence in the quality of service provided by internal audit.

### **External Audit & Other Inspections**

The Council's external auditor is Mazars LLP.

In June 2023 Mazars issued a draft unqualified opinion in relation to the Council's 2021/22 statutory financial statements. In the Audit Completion Report relating to the Council's financial statements for 2021/22 the External Auditor made an internal control recommendation (low priority) that management should review and strengthen controls relating to the preparation of the grants note. This recommendation has been accepted and has been addressed as part of the preparation of the grants note for the 2022/23 financial statements.

In June 2023 the external auditor issued his draft Annual Audit Report in respect of 2021/22. The report indicates that the external auditor reviewed the Council's arrangements to secure economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2021. No significant weaknesses in arrangements were identified and there were no recommendations arising from the work.

### **243 Local Government Association (LGA) Peer Challenge**

The LGA Corporate Peer Challenge review was undertaken in 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. In July 2020 the Council approved a Peer Challenge Action Plan to address these issues. Progress on implementing some aspects of the Action Plan has been delayed owing to officers focusing on other higher priority work during the coronavirus pandemic. However, the Peer Review Action Plan was reviewed and updated at Council on 25th November 2021 and in September 2022.

### **Compliance with the Financial Management Code**

**The Chartered Institute of Public Finance and Accountancy (CIPFA) has published The Financial Management Code (FM Code), which provides guidance for good and sustainable financial management in local authorities, giving assurance that authorities are managing resources effectively.**

**The FM Code requires authorities to demonstrate that the processes they have in place satisfy the principles of good financial management, which is an essential part of ensuring that public sector finances are sustainable.**

Full implementation of the CIPFA's Financial Management Code was expected from 2021/22. A baseline assessment reported to the Governance and Resources Committee in March 2021 indicated that there were six principles / standards identified as less strong, with a need for improvement and action. An action plan was approved to address these issues during 2021/22. As a result of staff vacancies and the additional workload during the coronavirus pandemic, little progress was made during 2021/22 and the first part of 2022/23. Some progress has been made in the last twelve months. The following actions have not yet been fully addressed:

**E: The financial management style of the authority supports financial sustainability**

**G: The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members**

**M: The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions.**

**N: The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.**

It is expected that the outstanding actions will be addressed during 2023/24. None of these outstanding actions have been identified as significant governance issues.

**Significant governance issues and action plan**

**a) Update on issues raised in last year's (2021/22) Annual Governance Statement**

	Issue	Action Identified in last year's statement	Target date in last year's statement	Current status	Lead Officer
1	There is a budget gap for future years as identified in the Medium-Term Financial Plan, which will be exacerbated by rising inflation.	<p>Ensure that there are effective processes to manage and monitor budgets and to plan and monitor savings.</p> <p>Review the MTFP to reflect the impact of rising inflation, the outcome of the Local Government Finance Settlement for 2023/24 and 2024/25 and following outcome of government's reviews of fair funding and business rates retention.</p> <p>Develop an action plan to maintain a sustainable balanced budget.</p>	Updated Medium Term Financial Plan & Balanced Budget for 2023/24: by 1 March 2023	<p><b>Partially achieved:</b></p> <p>A balanced budget was set for 2023/24 on 2 March 2023. An updated Medium -Term Financial Plan (MTFP) reflecting rising inflation was approved at the same Council meeting.</p> <p>Best and worst case MTFPs were included in the budget report for 2023/24.</p> <p>The MTFP is to be further reviewed in 2023/24 to reflect the outcome of the Local Government Finance Settlement for 2024/25.</p> <p>It is now expected that the outcome of government's reviews of fair funding and business rates retention baselines will not come into effect before 2026/27; the MTFP will be updated to reflect this, which has the effect of pushing back the potential £3m budget gap from 2025/26 to 2026/27.</p> <p>The development of an action plan to maintain a sustainable balanced budget is on hold awaiting the outcome of these government reviews.</p>	Director of Resources

245

2	An internal audit review has identified that our arrangements for asset management need to be strengthened	Address the outstanding recommendation to reconcile assets of the property and financial systems and use a common property identifier on both systems.	31 March 2023	<b>In Progress:</b>  Work was delayed due to a lack of resources in Legal and Resources (mainly); it is now underway.	Director of Regulatory Services
3	An internal audit review of data protection arrangements has identified areas where improvements are required.	Address the implementation of outstanding recommendations from the internal audit review.	31 March 2023	<b>In Progress:</b>  External audit of Council position against the ICO Accountability Tracker has been undertaken and identified 13 areas for immediate improvement.  An action plan is being developed which will include reviewing and updating policies and procedures, as well as increasing awareness of duties in respect of data protection amongst all employees and Members	Director of Corporate & Customer Services and the Director of Resources (Data Protection Officer)
4	Internal audit resources have been insufficient to complete the internal audit plan	Ensure that appropriately trained auditors are in place to deliver the audit plan.	31 December 2022	<b>In progress:</b>  Audit resources returned to full strength from July 2023. Appropriate training is being undertaken. The audit plan for 2023/24 is being reviewed and will be reported to Committee for approval in November 2023.	Director of Resources
5	Weaknesses have been identified in arrangements for procurement and contract management	Implement the recommendations from the independent review of waste management;	31 December 2022	<b>Complete:</b> Recommendations implemented in full	Corporate Leadership Team

		Carry out a review of financial regulations and contract standing orders and, following that, raise employee awareness and provide training, guidance and support.		<b>Complete:</b> Contract Standing Orders and Financial Regulations updated in September 2022 with training delivered to all senior managers in October 2022. Procurement and Contracts Officer appointed in April 2023.	
6	Arrangements for ensuring that systems are in place to meet grant conditions need to be strengthened	Review and strengthen Financial Regulations relating to grant conditions and raise employee awareness.	31 December 2022	<b>Partially complete:</b> Financial Regulations updated in 2022. Employee awareness to be raised following update of Financial Regulations in 2023.	Director of Resources

247 b) Annual Governance Statement issues arising from 2022/23 review, to be actioned in 2023/24

	Issue	Action	Expected Outcome	Lead Officer (s)	Target Date
1	There is a budget gap for future years as identified in the Medium-Term Financial Plan, which will be exacerbated by rising inflation.	<p>Ensure that there are effective processes to manage and monitor budgets and to plan and monitor savings.</p> <p>Review the MTFP to reflect the impact of rising inflation and interest rates, the outcome of the Local Government Finance Settlement for 2024/25 and following outcome of government's reviews of fair funding and business rates retention.</p> <p>Following the outcome of the government reviews, develop an action plan to maintain a sustainable balanced budget.</p>	Balanced budget for 2024/25 and Medium-Term Financial Plan to be updated to address budget gap for future years.	Director of Resources	Updated Medium Term Financial Plan & Balanced Budget for 2024/25: by 11 March 2024

2	An internal audit review has identified that our arrangements for asset management need to be strengthened	Address the outstanding recommendation to reconcile assets of the property and financial systems and use a common property identifier on both systems.	Completion of reconciliation	Directors of Regulatory Services, Corporate & Customer Services and Resources	31 March 2024
3	Internal and external reviews of data protection arrangements have identified areas where improvements are required.	Address the implementation of outstanding recommendations from the internal audit review and the external review.	Compliance with legislation and ICO guidance, reducing the risk of sanctions for non-compliance;  Raised awareness for employees and councillors;  Improved record keeping.	Director of Corporate & Customer Services	31 March 2024
4	Internal audit resources have been insufficient to complete the internal audit plan and for an opinion to be given on the adequacy and effectiveness of Derbyshire Dales District Council's governance, risk and control arrangements.	Ensure that appropriately trained auditors are in place to deliver the audit plan.	Ensure that the new auditors are suitably trained.  Review the internal audit plan.	Director of Resources	30 November 2023
5	Arrangements for ensuring that systems are in place to meet grant conditions need to be strengthened	Raise employee awareness of updated Financial Regulations.	Improved monitoring of compliance with grant conditions, reducing the risk of claw back or non-payment of grant,	Director of Resources	31 December 2023



We propose over the coming year to take steps to address the significant governance issues identified in section 6b 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.

Approved at a meeting of the Governance and Resources Committee held on 14 September 2023.

Signed

*S Flitter*

*P Wilson*

Councillor Steve Flitter  
**Leader of the Council**

Paul Wilson  
**Chief Executive**

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Council does not have material items of Other Comprehensive Income and Expenditure which would subsequently be reclassified to the Surplus or Deficit on the Provision of Services when specific conditions are met.

2021/22				2022/23		
Gross Expenditure	Gross Income	Net Expenditure		Gross Expenditure	Gross Income	Net Expenditure
£000s	£000s	£000s		£000s	£000s	£000s
435	(4)	431	Chief Executive	578	-	578
12,980	(6,877)	6,103	Community and Environmental Services	12,726	(6,959)	5,767
2,718	(406)	2,312	Corporate Services	2,527	(149)	2,378
2,585	(1,249)	1,336	Housing Services	3,070	(1,324)	1,746
2,731	(1,334)	1,397	Regeneration and Policy	950	(189)	761
2,708	(869)	1,839	Regulatory Services	3,011	(1,848)	1,163
11,876	(9,857)	2,019	Resources	11,566	(9,321)	2,245
<b>36,033</b>	<b>(20,596)</b>	<b>15,437</b>	<b>Cost Of Services</b>	<b>34,428</b>	<b>(19,790)</b>	<b>14,638</b>
1,826	(598)	1,228	Other Operating Expenditure (Note 9)	1,893	(312)	1,581
422	(164)	258	Financing and investment income and expenditure (Note 10)	996	(713)	283
	(14,221)	(14,221)	Taxation and Non-Specific Grants (Note 11)	-	(18,065)	(18,065)
<b>38,281</b>	<b>(35,579)</b>	<b>2,702</b>	<b>(Surplus) or Deficit on Provision of Services</b>	<b>37,317</b>	<b>(38,880)</b>	<b>(1,563)</b>
		(1,393)	Surplus or deficit on revaluation of non-current assets			(1,928)
		(8,542)	Re-measurements of the net defined benefit liability			(23,627)
		<b>(9,935)</b>	<b>Other Comprehensive Income and Expenditure</b>			<b>(25,555)</b>
		<b>(7,233)</b>	<b>Total Comprehensive Income and Expenditure</b>			<b>(27,118)</b>

## MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the different reserves held by the authority, analysed into 'usable reserves' (i.e., those that can be applied to fund expenditure or reduce local taxation) and 'unusable reserves'. The Statement shows how the movements in year of the Council's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year.

	General Fund* Balance £000s	Earmarked Fund* Balance £000s	Capital Receipts Reserve £000s	Capital Grants Unapplied £000s	Total Usable Reserves £000s	Unusable Reserves £000s	Total Authority Reserves £000s
<b>31st March 2021</b>	<b>(2,000)</b>	<b>(20,968)</b>	<b>(2,557)</b>	<b>(1,263)</b>	<b>(26,788)</b>	<b>(33,215)</b>	<b>(60,003)</b>
Total Comprehensive Income and Expenditure	2,702	-	-	-	2,702	(9,935)	(7,233)
Adjustments from income and expenditure charged under the accounting basis to funding basis (Note 8)	(1,505)	-	634	370	(501)	501	0
Transfer (to) / from Reserves (Note 19)	(3,231)	3,231	-	-	-	-	-
<b>2021/22</b>	<b>(2,034)</b>	<b>3,231</b>	<b>634</b>	<b>370</b>	<b>2,201</b>	<b>(9,434)</b>	<b>(7,233)</b>
<b>31st March 2022</b>	<b>(4,034)</b>	<b>(17,737)</b>	<b>(1,923)</b>	<b>(893)</b>	<b>(24,587)</b>	<b>(42,649)</b>	<b>(67,236)</b>
Total Comprehensive Income and Expenditure	(1,563)	-	-	-	(1,563)	(25,555)	(27,118)
Adjustments from income and expenditure charged under the accounting basis to funding basis (Note 8)	1,686	-	(55)	(1,008)	623	(623)	-
Transfer (to) / from Reserves (Note 19)	(866)	866	-	-	-	-	-
<b>2022/23</b>	<b>(743)</b>	<b>866</b>	<b>(55)</b>	<b>(1,008)</b>	<b>(940)</b>	<b>(26,178)</b>	<b>(27,118)</b>
<b>31st March 2023</b>	<b>(4,777)</b>	<b>(16,871)</b>	<b>(1,978)</b>	<b>(1,901)</b>	<b>(25,527)</b>	<b>(68,827)</b>	<b>(94,354)</b>

## BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the authority. The net assets of the authority (assets less liabilities) are matched by the reserves held by the authority.

31st March 2022 £000s		Notes	31st March 2023 £000s
76,041	Property, Plant and Equipment	12	77,684
1,637	Investment Property	13	1,655
149	Intangible Assets		138
1,048	Long Term Investments	14	885
<b>78,875</b>	<b>Long Term Assets</b>		<b>80,362</b>
12	Inventories		2
13,326	Short Term Debtors	15	7,867
26,287	Cash and Cash Equivalents	16	19,647
-	Short Term Investments	14	2,001
<b>39,625</b>	<b>Current Assets</b>		<b>29,517</b>
(6)	Short Term Borrowing	14	(6)
(1,964)	Provisions	18	(970)
(21,579)	Short Term Creditors	17	(8,610)
<b>(23,549)</b>	<b>Current Liabilities</b>		<b>(9,586)</b>
(31)	Long term Provisions	18	(34)
(5,450)	Long Term Borrowing	14	(5,450)
(22,233)	Other Long Term Liabilities	33	(454)
<b>(27,714)</b>	<b>Long Term Liabilities</b>		<b>(5,938)</b>
<b>67,237</b>	<b>Net Assets</b>		<b>94,355</b>
(24,587)	Usable reserves	20	(25,527)
(42,650)	Unusable Reserves	21	(68,828)
<b>(67,237)</b>	<b>Total Reserves</b>		<b>(94,355)</b>

The financial statements were approved for issue on 15 February 2024 by the Director of Resources.

## CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the authority during the reporting period. The statement shows how the authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing, and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the authority are funded by way of taxation and grant income or from the recipients of services provided by the authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e., borrowing) to the authority.

31st March 2022 £000s		31st March 2023 £000s
(2,702)	Net surplus or (deficit) on the provision of services	1,563
10,991	Adjustments to net surplus or (deficit) on the provision of services for non-cash movements (Note 22)	(3,602)
(1,829)	Adjustments for items included in the net surplus or (deficit) on the provision of services that are investing and financing activities (Note 22)	(3,414)
6,460	Net cash flows from Operating Activities	(5,453)
(755)	Investing Activities (Note 23)	(1,202)
-	Financing Activities (Note 24)	15
5,705	Net increase or (decrease) in cash and cash equivalents	(6,640)
20,582	Cash and cash equivalents at the beginning of the reporting period	26,287
<b><u>26,287</u></b>	<b>Cash and cash equivalents at the end of the reporting period (Note 20)</b>	<b><u>19,647</u></b>

# NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES

### a) General principles

The Statement of Accounts summarises the Council's transactions for the 2022/23 financial year and its position at the year-end of 31 March 2023. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015, to be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2022/23* (the Code), supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under section 12 of the 2003 Act.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Where figures disclosed in the Statement of Accounts have been rounded to the nearest £'000, there is the potential for rounding errors and minor inconsistency when cross referencing due to inter-dependencies across different disclosures. These have been minimised as far as reasonably possible, whilst ensuring the robustness of values carried forwards and disclosures within the Core Statements carrying prominence.

### b) Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure based on the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the balance sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

### c) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts (if there is an overdraft) that are repayable on demand and form an integral part of the Council's cash management.

#### **d) Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors**

Prior period adjustments may arise because of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e., in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

#### **e) Charges to revenue for non-current assets**

Services accounts are debited with the following amounts to record the cost of holding fixed assets during the year:

- depreciation attributable to the assets used by the relevant service.
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- amortisation of intangible fixed assets attributable to the service.

The Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisations. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirements (equal to an amount calculated on a prudent basis determined by the Authority in accordance with statutory guidance). Depreciation, revaluation and impairment losses or amortisations are therefore replaced by the contribution in the General Fund Balance (Minimum Revenue Provision), by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

#### **f) Contingent liabilities**

A contingent liability arises where an event has taken place that gives the council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the council's control. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but are disclosed by way of a note to the accounts.

#### **g) Council Tax and Non-Domestic Rates (NDR) income**

Billing authorities act as agents, collecting council tax and non-domestic rates (NDR) on behalf of the major preceptors (including Government for NDR) and, as principals, collecting council tax and NDR for themselves. Billing authorities are required by statute to maintain a separate fund (i.e., the Collection Fund) for the collection and distribution of amounts due in respect of council tax and non-domestic rates. Under the legislative framework for the Collection Fund, billing authorities, major preceptors and central government share proportionately the risks and rewards that the amount of council tax and NDR collected could be less or more than predicted.

## **Accounting for Council Tax and Non-Domestic Rates (NDR)**

The council tax and NDR income included in the Comprehensive Income and Expenditure Statement is the authority's share of accrued income for the year. However, regulations determine the amount of council tax and NDR that must be included in the authority's General Fund. Therefore, the difference between the income included in the Comprehensive Income and Expenditure Statement and the amount required by regulation to be taken to the Collection Fund Adjustment Account and included as a reconciling item in the Movement in Reserves Statement.

The Balance Sheet includes the authority's share of the year end balances in respect of council tax and NDR relating to arrears, impairment allowances for doubtful debts, overpayments and prepayments and appeals.

### **h) Employee benefits**

#### **Benefits payable during employment.**

Short-term employee benefits are those due to be settled wholly within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which employees render service to the authority. An accrual is made for the cost of holiday entitlements (or other forms of leave such as flexitime or time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the pay rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to the Surplus or Deficit on the provision of Services, but then reversed out through the Movement in Reserves Statement so that the holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

#### **Termination benefits**

Termination benefits are amounts payable because of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant service line in the Comprehensive Income and Expenditure Statement when the Authority can no longer withdraw the offer of those benefits. Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

#### **Post-employment benefits**

The Council's employees are part of the Local Government Pension Scheme, administered by Derbyshire County Council (Derbyshire pension fund). The scheme provides defined benefits to members (in the form of retirement lump sums and pensions), earned as employees work for the Council.

- The liabilities of the Derbyshire pension fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit cost method – i.e., an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc., and projections of earnings for current employees.
- Liabilities are discounted to their value at current prices. The discount rate is based on the indicative rate of return on high quality corporate bonds.
- The assets of Derbyshire pension fund attributable to the Authority are included in the Balance Sheet at their fair value:
  - quoted securities – current bid price.



- unquoted securities – professional estimate
- unitised securities – current bid price
- property – market value.
- The change in the net pension liability is analysed into the following components.
  - **Service cost comprising:**
    - current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
    - past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years will be debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs.
    - net interest on the net defined benefit liability i.e., net interest expense for the authority – the change during the period in the net defined benefit liability that arises from the passage of time charged to the Financing and Investment Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.
  - **Re-measurement comprising:**
    - the return on plan assets – excluding amounts included in net interest on the net defined benefit liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
    - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
    - contributions paid to the Derbyshire pension fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

### **Discretionary benefits**

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

### **i) Events after the balance sheet date**

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of event can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes to the accounts of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

## **j) Financial instruments**

The term ‘financial instrument’ covers both financial assets and financial liabilities and includes both the most straightforward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives.

### **Financial Liabilities**

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective rate of interest is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings that the Council has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Where premiums and discounts have been charged to the Comprehensive Income and Expenditure Statement, regulations allow the impact on the General Fund Balance to be spread over future years. The Authority has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. The reconciliation of amounts charged to the Comprehensive Income and Expenditure Statement to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

### **Financial Assets**

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics.

There are three main classes of financial assets measured at:

- amortised cost
- fair value through profit or loss (FVPL), and
- fair value through other comprehensive income (FVOCI)

The authority’s business model is to hold investments to collect contractual cash flows. Financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e., where the cash flows do not take the form of a basic debt instrument).

## **Financial Assets Measured at Amortised Cost**

Financial assets measured at amortised cost are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the authority, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the de-recognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

## **Expected Credit Loss Model**

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Only lifetime losses are recognised for trade receivables (debtors) held by the authority.

## **Financial Assets Measured at Fair Value through Profit or Loss**

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the authority becomes a party to the contractual provision of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques:

- Instruments with quoted market prices – the market price
- Other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement techniques are categorised in accordance with the following three levels:

- Level 1 inputs – quoted prices (unadjusted) in active markets for identical assets that the authority can access at the measurement date.
- Level 2 inputs – inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.
- Level 3 inputs – unobservable inputs for the asset.

And gains and losses that arise on the de-recognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.

## **Loans and Receivables**

Loans and receivables are recognised in the Balance Sheet when the Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost. Annual credits to the Financing Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the loans the Authority has made, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the Comprehensive Income and Expenditure Statement is the amount receivable for the year in the loan agreement. The Council has not made any loans at less than market rates (soft loans).

## **k) Government grants and other contributions**

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- The Council will comply with the conditions attached to the payments; and

- The grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

### **l) Heritage Assets**

The Council has a small number of heritage assets which are maintained for their historic value. Due to the lack of reliable historic information and lack of comparable data a meaningful value is not possible. Any future assets will be held on the balance sheet at historic cost. The Council has adopted a £25,000 de-minimis level for heritage assets and any assets identified below this level are not separately identified on the balance sheet and remain in their existing categories. The Council's identified heritage assets include War Memorials and Churchyard Gates. These assets have indefinite lives and so are not depreciated.

### **m) Intangible assets**

Expenditure on non-monetary assets that do not have physical substance but are controlled by the Council as a result of past events (e.g., software licences) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to the Council.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and the Authority will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset. Expenditure is capitalised where it can be measured reliably as attributable to the asset and is restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise the Authority's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by the Authority can be determined by reference to an active market. In practice, no intangible asset held by the Authority meets this criterion, and they are therefore carried at amortised cost. The depreciable amount of an intangible asset is amortised over its useful life to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement. Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in

the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

#### **n) Inventories and long-term contracts**

Inventories are included on the Balance Sheet at the lower of cost and net realisable value, calculated separately for each category of inventory. The cost of inventories is assigned using the First In, First Out costing formula.

The Council does not have any trading activities that generate income from long-term contracts.

#### **o) Investment property**

Investment properties are those that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, being the price that would be received to sell such an asset in an orderly transaction between market participants at the measurement date. As a non-financial asset, investment properties are measured at highest and best use. Properties are not depreciated but are revalued annually according to market conditions at the year-end. Gains and losses on revaluation are posted to the Financing and Investment Income line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain in the Comprehensive Income and Expenditure Statement. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

#### **p) Leases**

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

### **The Authority as Lessee**

#### *Finance Leases*

Property, plant and equipment held under finance leases is recognised on the Balance Sheet at the commencement of the lease at its fair value measured at the lease's inception (or the present value of the minimum payments, if lower). The asset recognised is matched by a liability for the obligation to pay the lessor. Initial direct costs of the Council are added to the carrying amount of the asset. Premiums paid on entry into a lease are applied to writing down the lease liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Lease payments are apportioned between:

- a charge for the acquisition of the interest in the property – applied to write down the lease debtor (together with any premiums received), and

- finance charge (debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement).

Property, plant and equipment recognised under finance leases is accounted for using the policies applied generally to such assets, subject to depreciation being charged over the lease term if this is shorter than the asset's estimated useful life (where ownership of the asset does not transfer to the Council at the end of the lease period).

The Council is not required to raise council tax to cover depreciation or revaluation and impairment losses arising on leased assets. Instead, a prudent annual contribution is made from revenue funds towards the deemed capital investment in accordance with statutory requirements. Depreciation and revaluation and impairment losses are therefore substituted by a revenue contribution in the General Fund Balance, by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

### *Operating Leases*

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense of the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., there is a rent-free period at the commencement of the lease).

### **The Authority as Lessor**

#### *Finance Leases*

The Authority does not grant any finance leases for property, plant and equipment.

#### *Operating Leases*

Where the Authority grants an operating lease over a property or an item or plant or equipment, the asset is retained in the Balance Sheet. Rental Income is credited to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Credits are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g., where a premium paid at the commencement of a lease). Initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the relevant asset and charged as an expense over the lease term on the same basis as rental income.

### **q) Overheads and Support Services**

The costs of overheads and support services are charged to service segments in accordance with the authority's arrangements for accountability and financial performance.

### **r) Property, plant and equipment**

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

### **Recognition**

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accrual's basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e., repairs and maintenance) is charged as an expense when it is incurred.

### **Measurement**

Assets are initially measured at cost, comprising:

- the purchase price.
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Authority does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e., it will not lead to a variation in the cash flows of the Authority). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Authority.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Infrastructure and Community assets – depreciated historical cost.
- Assets under construction – cost.
- Surplus assets – the current value measurement base is fair value, estimated at highest and best use from a market participant’s perspective. Where there is no market-based evidence in an active market of fair value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of fair value.
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value - EUV).
- The council has a £10,000 de minimis gross cost limit and does not recognise items below this threshold.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for fair value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their fair value at the year-end. The minimum frequency required by the Code of Practice is every five years, but Derbyshire Dales District Council’s policy is to complete these revaluations every 3 years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Comprehensive Income and Expenditure Statement where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against the balance (up to the amount of the accumulated gains).
- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

### **Impairment**

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for by:

- Where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).

- Where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

## Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without determinable finite useful life (i.e., freehold land and certain Community Assets) and assets that are not yet available for use (i.e., assets under construction).

Depreciation is calculated on the following bases:

- Buildings – straight-line allocation over the useful life of the property as estimated by the valuer.
- Vehicles, plant, furniture and equipment – straight-line allocation over the useful life of the asset, as advised by a suitably qualified officer.
- Infrastructure Assets – straight-line allocation over the useful life of the asset, as advised by a suitably qualified officer. The range of asset lives currently used for these assets are:

Sewage Treatment plants - 20/25 years  
 Cemetery paths (Bakewell) – 25 years  
 Bus station – 50 years  
 Bridges and unadopted or access roads – 50 years  
 Bakewell ABC access road bridge – 100 years

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

## Disposals and Non-current Assets Held for Sale

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement. Gains in fair value are recognised only up to the amount of any previously losses recognised in the Surplus or Deficit on Provision of Services. Depreciation is not charged on Assets Held for Sale.

If assets no longer meet the criteria to be classified as Assets Held for Sale, they are reclassified back to non-current assets and valued at the lower of their carrying amount before they were classified as held for sale; adjusted for depreciation, amortisation or revaluations that would have been recognised had they not been classified as Held for Sale, and their recoverable amount at the date of the decision not to sell.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals (if any) are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e., netted off against the carrying value



of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Infrastructure assets are de-recognised at nil value in accordance with Regulation 30M England of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. These receipts are required to be credited to the Capital Receipts Reserve and can then only be used for new capital investment (or set aside to reduce the Authority's underlying need to borrow (the capital financing requirement)). Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of fixed assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

### **s) Provisions**

Provisions are made where an event has taken place that gives the council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Statement of Income and Expenditure in the year that the council becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g., from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the authority settles the obligation.

### **t) Reserves**

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and these do not represent usable resources for the council. Such reserves are explained in the relevant accounting policies.

### **u) Revenue expenditure funded from capital under statute**

Expenditure incurred during the year that may be capitalised under statutory provisions but does not result in the creation of non-current assets has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement

in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so there is no impact on the level of council tax.

#### **v) Value Added Tax (VAT)**

VAT payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs (HMRC). VAT receivable is excluded from income.

#### **w) Fair Value Measurement**

The authority measures some of its non-financial assets such as investment properties and some of its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability, or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability

The authority measures the fair value of an asset or liability using the assumptions that the market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

When measuring the fair value of a non-financial asset, the authority takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The authority uses valuation techniques that are appropriate in the circumstances for which sufficient data is available, maximising the use of observable inputs and minimising the use of unobservable inputs.

Inputs to the valuation techniques in respect of assets and liabilities for which fair value is measured or disclosed in the authority's financial statements are categorised within the fair value hierarchy, as follows:

- Level 1 – quoted process (unadjusted) in active markets for identical assets or liabilities that the authority can access at the measurement date.
- Level 2 – inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – unobservable inputs for the asset or liability.

## **2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED**

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2022/23 Code.

The standards introduced by the 2023/24 Code and relevant for additional disclosures that will be required in the 2022/23 financial statements are:

- Definition of Accounting Estimates (Amendments to IAS 8) issued in February 2021.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Updating a Reference to the Conceptual Framework (Amendments to IFRS 3) issued in May 2020.

The Council does not currently anticipate that any of the above will have a material impact on the financial statements.

### 3. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Statement of Accounts contains estimated figures that are based on assumptions made by the Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Authority's balance sheet at 31 March 2023 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if actual results differ from assumptions
Property, plant and equipment	Assets are depreciated on a straight-line basis over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it uncertain that the authority will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of an asset is reduced, depreciation increases and the carrying amount of the asset falls.  It is estimated that the annual depreciation charge for buildings would increase by £144,000 for every year that useful lives had to be reduced.
Pensions Liability	The estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discounts used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.	See Pension Note.

### 4. EVENTS AFTER THE REPORTING PERIOD

The Statement of Accounts was authorised for issue by the Director of Resources on 8 August 2023. Events taking place after this date are not reflected in the financial statements or notes.

The Council is not aware of any events that occurred between the 31<sup>st</sup> March 2023 and this authorisation date that would require disclosure.

## 5. EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's services. Income and expenditure accounted for under generally accepted practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Net Expenditure Chargeable to the General Fund Balance	2021/22 Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund Balance	2022/23 Adjustments between the Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
£000s	£000s	£000s		£000s	£000s	£000s
340	91	431	Chief Executive	509	69	578
2,542	3,561	6,103	Community and Environmental Services	2,894	2,873	5,767
1,828	483	2,312	Corporate Services	2,040	338	2,378
781	555	1,336	Housing Services	50	1,696	1,746
1,843	(446)	1,397	Regeneration and Policy	536	225	761
854	985	1,839	Regulatory Services	281	882	1,163
2,512	(493)	2,019	Resources	2,742	(497)	2,245
<b>10,701</b>	<b>4,737</b>	<b>15,437</b>	<b>Net Cost of Services</b>	<b>9,052</b>	<b>5,586</b>	<b>14,638</b>
(9,506)	(3,229)	(12,735)	Other income and expenditure	(8,929)	(7,272)	(16,201)
<b>1,195</b>	<b>1,508</b>	<b>2,703</b>	<b>(Surplus) / Deficit</b>	<b>123</b>	<b>(1,686)</b>	<b>(1,563)</b>
<b>(22,968)</b>			<b>Opening General Fund Balance</b>	<b>(21,773)</b>		
<b>1,195</b>			<b>Less/Plus (Surplus) or Deficit on General Fund Balance in Year</b>	<b>123</b>		
<b>(21,773)</b>			<b>Closing General Fund Balance at 31st March</b>	<b>(21,650)</b>		

## 6. NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS

This note provides a reconciliation of the main adjustments to Net Expenditure Chargeable to the General Fund Balance to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

<b>2022/23</b>				
<b>Adjustments between Funding and Accounting Basis</b>				
<b>Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts</b>	<b>Adjustments for Capital Purposes £000's</b>	<b>Net change for the Pensions Adjustments £000's</b>	<b>Other Differences £000's</b>	<b>Total Adjustments £000's</b>
Chief Executive	-	69	-	69
Community and Environmental Services	2,020	856	(3)	2,873
Corporate Services	27	313	(2)	338
Housing Services	1,580	116	-	1,696
Regeneration and Policy	137	95	(7)	225
Regulatory Services	570	314	(2)	882
Resources	31	(531)	3	(497)
	-	-	-	
<b>Net Cost of Services</b>	<b>4,365</b>	<b>1,232</b>	<b>(11)</b>	<b>5,586</b>
<b>Other income and expenditure from the Expenditure and Funding Analysis</b>	<b>(5,236)</b>	<b>616</b>	<b>(2,652)</b>	<b>(7,272)</b>
<b>Difference between General Fund (surplus) or deficit and Comprehensive Income and Expenditure Statement (Surplus) or Deficit on the Provision of Services</b>	<b>(871)</b>	<b>1,848</b>	<b>(2,663)</b>	<b>(1,686)</b>

2021/22

**Adjustments between Funding and Accounting Basis**

**Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts**

	<b>Adjustments for Capital Purposes £000's</b>	<b>Net change for the Pensions Adjustments £000's</b>	<b>Other Differences £000's</b>	<b>Total Adjustments £000's</b>
Chief Executive	2	80	9	91
Community and Environmental Services	2,793	1,027	(259)	3,561
Corporate Services	60	349	75	483
Housing Services	1,367	112	(924)	555
Regeneration and Policy	12	106	(564)	(446)
Regulatory Services	597	322	66	985
Resources	28	(490)	(31)	(493)
<b>Net Cost of Services</b>	<b>4,859</b>	<b>1,505</b>	<b>(1,627)</b>	<b>4,737</b>
<b>Other income and expenditure from the Expenditure and Funding Analysis</b>	<b>(1,823)</b>	<b>589</b>	<b>(1,995)</b>	<b>(3,229)</b>
<b>Difference between General Fund (surplus) or deficit and Comprehensive Income and Expenditure Statement (Surplus) or Deficit on the Provision of Services</b>	<b>3,036</b>	<b>2,094</b>	<b>(3,622)</b>	<b>1,508</b>

270

**Adjustments for Capital Purposes**

Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the service line, and for:

- Other operating expenditure – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for these assets.
- Financing and investment income and expenditure – the statutory charges for capital financing i.e., Minimum Revenue Provision and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

- Taxation and non-specific grant income and expenditure – capital grants are adjusted for income not chargeable under generally accepted accounting practices.

### **Net Change for the Pensions Adjustments**

Net change for the removal of pension contributions and the addition of IAS19 Employee Benefits pension related income and expenditure:

- For services – this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.
- For Financing and Investment Income and Expenditure – the net interest on the defined benefit liability is charged to the CIES.

### **Other Differences**

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For Financing and Investment Income and Expenditure the other differences column recognises adjustments to the General Fund for timing differences for premiums and discounts
- The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.
- Movements in Fair Value of investments through Financing and Investment Income and Expenditure.
- Accumulated Absence – value of untaken annual leave and lieu time.

## 7. EXPENDITURE AND INCOME ANALYSED BY NATURE

The authority's expenditure and income is analysed as follows:

2021/22 £000's	Expenditure/Income	2022/23 £000's
	<b>Expenditure</b>	
9,896	Employee benefits expenses	10,233
24,034	Other service expenses	22,788
2,302	Depreciation, amortisation, impairment	2,177
223	Interest payments	225
1,826	Precepts and levies	1,893
<b>38,281</b>	<b>Total expenditure</b>	<b>37,316</b>
	<b>Income</b>	
(9,447)	Fees, charges and other service income	(9,254)
(63)	Interest and investment income	(713)
(11,311)	Income from council tax and non-domestic rates	(13,187)
(14,160)	Government grants and contributions	(15,414)
(598)	Gain on disposal of assets	(312)
<b>(35,579)</b>	<b>Total income</b>	<b>(38,880)</b>
<b>2,702</b>	<b>(Surplus) / Deficit on the Provision of Services</b>	<b>(1,564)</b>



## 8. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made in the Movement in Reserves Statement to the total comprehensive income and expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

2022/23	General Fund £'000s	Capital Receipts £'000s	Capital Grants £'000s	Unusable Reserves £'000s
<b>Adjustments involving the Capital Adjustment Account:</b>				
<i>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</i>				
Charges for depreciation and impairment of non-current assets	(2,075)	-	-	2,075
Amortisation of Intangible Assets	(51)	-	-	51
Revaluation losses	(327)	-	-	327
Revaluation gains matched to prior years impairments	257	-	-	(257)
Capital grants and contributions applied	-	-	1,928	(1,928)
Revenue expenditure funded from capital under statute	(2,168)	-	-	2,168
Movement in fair value of investment properties	18	-	-	(18)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(165)	-	-	165
Assets acquired at less than fair value	-	-	-	-
<i>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement</i>				
Statutory provision for the repayment of debt	103	-	-	(103)
Capital expenditure charged against the General Fund Balance	1,885	-	-	(1,885)
<b>Adjustments involving the Capital Grants Unapplied Account:</b>				
Capital grants and contributions unapplied credited to the CIES	2,936	-	(2,936)	-
<b>Movement in reserves during 2022/23</b>				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Capital Receipts Reserve	476	(476)	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	421	-	(421)
<b>Adjustments involving the Financial Instrument Adjustment Account and Financial Instrument Revaluation Reserve</b>				
Premiums and Discounts	111	-	-	(111)
Movement in fair value of financial instruments	(173)	-	-	173
<b>Adjustments involving the Pensions Reserve:</b>				
Amount by which pension costs calculated in accordance with IAS19 are different from the contributions due under the pensions scheme regulations	(1,848)	-	-	1,848
<b>Adjustments involving the Collection Fund Adjustment Account:</b>				
Amount by which council tax and NDR income included in the CIES is different from the amount taken to the General Fund balance	2,697	-	-	(2,697)
<b>Adjustments involving the Accumulated Absences Account:</b>				
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration payable in the year	10	-	-	(10)
<b>Total Adjustments</b>	<b>1,686</b>	<b>(55)</b>	<b>(1,008)</b>	<b>(623)</b>

2021/22

	General Fund £'000s	Capital Receipts £'000s	Capital Grants £'000s	Unusable Reserves £'000s
<b>Adjustments involving the Capital Adjustment Account:</b>				
<i>Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:</i>				
Charges for depreciation and impairment of non-current assets	(2,410)			2,410
Amortisation of Intangible Assets	(80)			80
Reversal of previous impairments/revaluation losses	(528)			528
Capital grants and contributions applied			1,594	(1,594)
Revenue expenditure funded from capital under statute	(1,862)			1,862
Movement in fair value of investment properties	187			(187)
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES	(6)			6
Assets acquired at less than fair value				-
<i>Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement</i>				
Statutory provision for the repayment of debt	101			(101)
Capital expenditure charged against the General Fund Balance	1,612			(1,612)
<b>Adjustments involving the Capital Grants Unapplied Account:</b>				
Capital grants and contributions unapplied credited to the CIES	1,224		(1,224)	-
<b>Movement in reserves during 2019/20</b>				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the CIES	605	(605)		-
Use of the Capital Receipts Reserve to finance new capital expenditure		1,238		(1,238)
<b>Adjustments involving the Financial Instrument Adjustment Account and Financial Instrument Revaluation Reserve</b>				
Premiums and Discounts	111			(111)
Movement in fair value of financial instruments	204			(204)
<b>Adjustments involving the Pensions Reserve:</b>				
Amount by which pension costs calculated in accordance with IAS19 are different from the contributions due under the pensions scheme regulations	(2,094)			2,094
<b>Adjustments involving the Collection Fund Adjustment Account:</b>				
Amount by which council tax and NDR income included in the CIES is different from the amount taken to the General Fund balance	1,418			(1,418)
<b>Adjustments involving the Accumulated Absences Account:</b>				
Amount by which officer remuneration charged to the CIES on a accruals basis is different from remuneration payable in the year	13			(13)
<b>Total Adjustments</b>	<b>(1,505)</b>	<b>634</b>	<b>370</b>	<b>501</b>

## 9. OTHER OPERATING EXPENDITURE

2021/22 £'000s		2022/23 £'000s
1,826	Parish Precepts	1,893
(598)	(Gains) losses on the disposal of non-current assets	(312)
<u>1,228</u>		<u>1,581</u>

## 10. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2021/22 £'000s		2022/23 £'000s
223	Interest payable on debt	225
589	Net interest on the pensions net defined benefit liability	616
(63)	Interest receivable and similar income	(611)
(101)	Income and expenditure in relation to investment properties	(102)
(187)	Movement in fair value of investment property	(18)
(204)	Movement in fair value of financial instruments	173
<u>257</u>		<u>283</u>

## 11. TAXATION AND NON-SPECIFIC GRANT INCOME

2021/22 £'000s		2022/23 £'000s
(8,388)	Council tax income	(8,559)
(2,923)	Non-domestic rates distribution	(4,628)
	<i>Non-Ring-fenced Grants:</i>	
(72)	Lower Tier Services Grant	(77)
(398)	New Homes Bonus	(777)
(421)	Rural Services Delivery Grant	(421)
(796)	Other Non-ring-fenced grants	(172)
(602)	Disabled Facilities Grants	-
(622)	Capital grants and contributions	(3,431)
<u>(14,222)</u>		<u>(18,065)</u>

## 12. PROPERTY, PLANT AND EQUIPMENT

<b>Property, Plant and Equipment</b>	Land and	Vehicles,	Community	Infrastructure	Surplus	Assets Under	Total
<b>31st March 2023</b>	Buildings	Plant,	Assets	Assets	Assets	Construction	£'000
-	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or Valuation</b>							
1st April 2022	64,179	9,225	6,797	2,091	181	42	82,515
Additions	1,307	496	121	31	-	70	2,025
Accumulated Depreciation & Impairment written off to gross carrying amount	(452)	-	-	-	(8)	-	(460)
Revaluation increases/(decreases) to Revaluation Reserve	1,930	-	-	-	4	-	1,934
Revaluation increases/(decreases) to (Surplus)/Deficit on provision of services	(64)	-	-	-	(6)	-	(70)
De-recognition - Disposals	-	(273)	(122)	-	-	-	(395)
<b>31st March 2023</b>	<b>66,900</b>	<b>9,448</b>	<b>6,796</b>	<b>2,122</b>	<b>171</b>	<b>112</b>	<b>85,549</b>
<b>Accumulated Depreciation and Impairment</b>							
1st April 2022	(1,812)	(4,661)	-		-	-	(6,473)
Depreciation Charge	(1,210)	(788)	-	(60)	(8)	-	(2,066)
Impairment Losses/(Reversals) recognised in the Revaluation Reserve	(7)	-	-		-	-	(7)
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services	(8)	(1)	-		-	-	(9)
Accumulated Impairment Written off to gross carrying amount	452	-	-		8	-	460
De-recognition - Disposals	-	230	-		-	-	230
<b>31st March 2023</b>	<b>(2,585)</b>	<b>(5,220)</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>(7,865)</b>
<b>Net Book Value</b>							
<b>31st March 2023</b>	<b>64,315</b>	<b>4,228</b>	<b>6,796</b>	<b>2,062</b>	<b>171</b>	<b>112</b>	<b>77,684</b>
<b>31st March 2022</b>	<b>62,367</b>	<b>4,564</b>	<b>6,797</b>	<b>2,091</b>	<b>181</b>	<b>42</b>	<b>76,042</b>

In accordance with the temporary relief offered by the Update to the Code on infrastructure assets [Local Government Circular 09/2022 Statutory Override Accounting for Infrastructure Assets for Scottish Local Authorities] this note does not include disclosure of gross cost and accumulated depreciation for infrastructure assets because historical reporting practices and resultant information deficits mean that this would not faithfully represent the asset position to the users of the financial statements. The authority has chosen not to disclose this information as the previously reported practices and resultant information deficits mean that gross cost and accumulated depreciation are not measured accurately and would not provide the basis for the users of the financial statements to take economic or other decisions relating to infrastructure assets.

The authority has determined in accordance with Regulation 30M England of the Local Authorities (Capital Finance and Accounting) (England/Wales) (Amendment) Regulations 2022 that the carrying amounts to be derecognised for infrastructure assets when there is replacement expenditure is nil.

<b>Property, Plant and Equipment</b>	Land and Buildings	Vehicles, Plant, Equipment	Community Assets	Infrastructure Assets	Surplus Assets	Assets Under Construction	Total
<b>31st March 2022</b>	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Cost or Valuation</b>							
1st April 2021	63,707	11,222	6,630	1,981	190		83,730
Adjustments		(3,055)					(3,055)
<b>Opening Balance</b>	<b>63,707</b>	<b>8,167</b>	<b>6,630</b>	<b>1,981</b>	<b>190</b>	-	<b>80,675</b>
Additions	1,036	1,103	187	168	0	42	2,536
Accumulated Depreciation & Impairment written off to gross carrying amount	(1,269)				(10)		(1,279)
Revaluation increases/(decreases) to Revaluation Reserve	1,391				8		1,399
Revaluation increases/(decreases) to (Surplus)/Deficit on provision of services	(718)				5		(713)
De-recognition - Disposals		(44)					(44)
Reclassifications	33		(20)		(13)		-
<b>31st March 2022</b>	<b>64,179</b>	<b>9,225</b>	<b>6,797</b>	<b>2,149</b>	<b>181</b>	<b>42</b>	<b>82,573</b>
<b>Accumulated Depreciation and Impairment</b>							
1st April 2021	(1,872)	(6,818)	-		(3)		(8,692)
Adjustments		2,546					2,546
Depreciation Charge	(1,203)	(428)		(57)	(8)		(1,696)
Impairment Losses/(Reversals) recognised in the Revaluation Reserve	(5)						(5)
Impairment Losses/(Reversals) recognised in the Surplus/Deficit on the Provision of Services	(1)						(1)
Accumulated Impairment Written off to gross carrying amount	1,269				10		1,279
De-recognition - Disposals		39					39
<b>31st March 2022</b>	<b>(1,812)</b>	<b>(4,661)</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>(6,530)</b>
<b>Net Book Value</b>							
<b>31st March 2022</b>	<b>62,367</b>	<b>4,564</b>	<b>6,797</b>	<b>2,091</b>	<b>181</b>	<b>42</b>	<b>76,043</b>
<b>31st March 2021</b>	<b>61,836</b>	<b>4,404</b>	<b>6,630</b>	<b>1,980</b>	<b>188</b>	<b>-</b>	<b>75,037</b>

## Depreciation

The measurement bases used for determining the gross carrying amount of property, plant and equipment are set out in Note 1 (s) Accounting Policies.

The following useful lives and depreciation rates have been used in the calculation of depreciation:

- Operational buildings – 1 to 60 years
- Vehicles, plant and equipment – 3 to 10 years

The depreciation methods used are set out in the Accounting Policies

## Revaluations

The Council carries out a rolling programme that ensures that all Property, Plant and Equipment required to be measured at current value is revalued at least once every three years.

A review of assets was undertaken to determine if any impairment had taken place, and, where appropriate, values were amended. All valuations were carried out internally. Valuations of land and buildings were carried out in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institute of Chartered Surveyor's Red Book. Plant and machinery is included in the valuation of buildings. The assumptions made in producing the various valuations are set out in a valuation report provided by the valuer.

278

	Land and Buildings £000's	Vehicles, Plant, Equipment £000's	Community Assets £000's	Infrastructure Assets £000's	Surplus Assets £000's	Assets Under Construction £000's	Total £000's
Carried at historical cost	341	9,448	6,796	2,122	-	112	18,819
Valued at fair value as at:							-
31st March 2023	41,362	-	-	-	171	-	41,533
31st March 2022	3,683	-	-	-	-	-	3,683
31st March 2021	21,514	-	-	-	-	-	21,514
<b>Total</b>	<b>66,900</b>	<b>9,448</b>	<b>6,796</b>	<b>2,122</b>	<b>171</b>	<b>112</b>	<b>85,549</b>

## Heritage Assets

The Council has a small number of heritage assets which are treated in accordance with the Council's accounting policies. All the heritage assets have indefinite lives and are therefore not subject to depreciation. The Council's identified heritage assets are as follows:

### War memorials

The Council has 7 war memorials situated throughout the district. Due to their age, there is no reliable information as to their cost and the lack of comparable data does not afford a meaningful valuation. The assets are not separately identified on the balance sheet. Future identified measurements will be at historic cost.

### Churchyard gates, St. Oswald's Church, Ashbourne

The original cost of these gates is unknown. The Council restored the gates in 1999/2000 at a cost of £19,000 and they are held on the balance sheet at this amount. A separate valuation has not been undertaken on this asset due to the lack of comparable data.

### De minimis

The de minimis level for individual heritage assets is £25,000. Any assets identified below this level will remain in their existing categories (including those above).

## 13. INVESTMENT PROPERTY

The following items of income and expense have been accounted for in the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement:

2021/22 £'000s		2022/23 £'000s
(101)	Rental income from investment property	(102)
<u>(101)</u>	<b>Net (gain) / loss</b>	<u>(102)</u>

The Authority's investment properties are leased to third parties on terms ranging from 21 years to 125 years.

The following table summarises the movement in the fair value of investment properties over the year:

2021/22 £'000s		2022/23 £'000s
<b>1,450</b>	<b>Balance at 1 April</b>	<b>1,637</b>
187	Net gains / (losses) from fair value adjustments	18
<b><u>1,637</u></b>	<b>Balance at 31 March</b>	<b><u>1,655</u></b>

### Fair Value Hierarchy

Details of the authority's investment properties and information about the fair value hierarchy are shown in the table below. There were no transfers between levels during the year.

2021/22		2022/23	
Significant unobservable inputs (Level 3) £000	Recurring fair value measurements:	Significant unobservable inputs (Level 3) £000	
1,637	Retail Ground Leases	1,655	
<b><u>1,637</u></b>	<b>Total</b>	<b><u>1,655</u></b>	

### Valuation Techniques used to Determine Level 3 Fair Values for Investment Properties

The Council holds retail ground leases and leases land for car parking to a national retailer as investment properties, and these have been measured using the investment approach. As the measurement technique uses significantly unobservable inputs to determine the fair value measurements they have been categorised as Level 3 in the fair value hierarchy.

### Highest and Best Use of Investment Properties

In estimating the fair value of the authority's investment properties, the highest and best use of the properties is their current use.

### Valuation Techniques

There has been no change in the valuation techniques used during the year for investment properties.

The fair value of the authority's investment property is measured annually at each reporting date. All valuations are carried out internally, in accordance with the methodologies and bases for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.



## 14. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Non-exchange transactions, such as those relating to taxes, benefits and government grants, do not give rise to financial instruments.

### Financial Assets

A financial asset is a right to future economic benefits controlled by the Council that is represented by cash, or a contractual right to receive cash or other financial assets or a right to exchange financial assets and liabilities with another entity that is potentially favourable to the Council. The financial assets held by the Council during the year are accounted for under the following classifications:

- Amortised cost (where cash flows are solely payments of principal and interest, and the Council's business model is to collect those cash flows) comprising:
  - Cash in hand,
  - Bank current and deposit accounts with Lloyd's bank,
  - Fixed term deposits,
  - Loans to other local authorities,
  - Certificates of deposit and covered bonds issued by banks and building societies,
  - Treasury bills and gilts issued by the UK Government,
  - Lease receivables
  - Trade receivables for goods and services provided.
- Fair value through other comprehensive income (when cash flows are solely payments of principal and interest, and the Council's business model is to both collect those cash flows and sell the instrument). The Council does not currently hold any types of these instruments.
- Fair value through profit and loss (all other financial assets) comprising:
  - Pooled bond, equity and property funds managed by CCLA fund managers.

Financial assets held at amortised cost are shown net of a loss allowance reflecting the statistical likelihood that the borrower or debtor will be unable to meet their contractual commitments to the Council.

Financial Assets	Long-term				Short-term			
	Investments		Debtors		Investments		Debtors	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Amortised Cost</b>								
Principal	-	-	-	-	-	2,000	1,332	683
Accrued Interest	-	-	-	-	-	1	-	-
Cash and cash equivalents	-	-	-	-	26,287	19,589	-	-
Accrued Interest	-	-	-	-	-	58	-	-
<b>Total amortised costs</b>	-	-	-	-	<b>26,287</b>	<b>21,648</b>	<b>1,332</b>	<b>683</b>
<b>Fair value through profit and loss</b>	1,048	885	-	-	-	-	-	-
<b>Total financial assets</b>	<b>1,048</b>	<b>885</b>	-	-	<b>26,287</b>	<b>21,648</b>	<b>1,332</b>	<b>683</b>
Non-financial assets	-	-	-	-	-	-	11,994	7,184
<b>Total financial assets</b>	<b>1,048</b>	<b>885</b>	-	-	<b>26,287</b>	<b>21,648</b>	<b>13,326</b>	<b>7,867</b>

Non-financial assets include investment in fixed assets (property) and debtors for non-exchange transactions.

## Financial Liabilities

A financial liability is an obligation to transfer economic benefits controlled by the Council and can be represented by a contractual obligation to deliver cash or financial assets or an obligation to exchange financial assets and liabilities with another entity that is potentially unfavourable to the Council.

The majority of the Council's financial liabilities held during the year are measured at amortised cost and comprised:

- long-term loans from the Public Works Loan Board
- short-term loans from other local authorities
- trade payables for goods and services received.

Financial Liabilities	Long-term				Short-term			
	Borrowing		Creditors		Borrowing		Creditors	
	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000
<b>Amortised Cost</b>								
Principal	(5,450)	(5,450)	-	-	-	-	(3,098)	(6,446)
Accrued interest	-	-	-	-	(6)	(6)	-	-
<b>Total Amortised Costs</b>	<b>(5,450)</b>	<b>(5,450)</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>(6)</b>	<b>(3,098)</b>	<b>(6,446)</b>
<b>Total financial liabilities</b>	<b>(5,450)</b>	<b>(5,450)</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>(6)</b>	<b>(3,098)</b>	<b>(6,446)</b>
Non-financial liabilities			-	-	-	-	(20,445)	(3,134)
<b>Total financial liabilities</b>	<b>(5,450)</b>	<b>(5,450)</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>(6)</b>	<b>(23,543)</b>	<b>(9,580)</b>

Non-financial liabilities include employee defined benefit obligations and creditors for non-exchange transactions.

## Financial Instruments – Income, Expense, Gains and Losses

The Council holds units within the Church, Charities and Local Authority (CCLA) Property Fund. This investment was initially purchased at a bid price of £1m and has a fair value as at 31 March 2023 of £885K. This change in fair value has been recognised in the accounts. However, a temporary, statutory override has been introduced to reverse out the effect of fair value movements from the General Fund and transfer these to a new unusable reserve, the Financial Instrument Revaluation Reserve.

The Income and expense along with gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments consist of the following:

<b>Income, Expense, Gains and Losses</b>	<b>2021/22 Surplus or Deficit on the Provision of Services £'000</b>	<b>2022/23 Surplus or Deficit on the Provision of Services £'000</b>
<b>Net gains/losses</b>		
Financial assets measured at fair value through profit and loss	(204)	173
<b>Total net gains/losses</b>	<b>(204)</b>	<b>173</b>
Interest revenue from financial assets valued at amortised cost	(63)	(611)
Interest expense for financial assets valued at amortised cost	223	225
<b>Total expense</b>	<b>160</b>	<b>(386)</b>

The Council has no movements in financial instrument fair value recognised in Other Comprehensive Income and Expenditure.

### Financial Instruments – Fair Values

One of the Councils financial assets is measured at fair value on a recurring basis and is shown in the following table including the valuation technique used.

<b>Financial assets measured at fair value</b>				
<b>Recurring fair value measurements</b>	<b>Input level in fair value hierarchy</b>	<b>Valuation technique used to measure fair value</b>	<b>2021/22 £'000</b>	<b>2022/23 £'000</b>
CCLA Property Fund	Level 1	Unadjusted quoted prices in active markets for identical shares	1,048	885

Fair values are shown in the table above, split by their level in the fair value hierarchy:

- Level 1 – fair value is only derived from quoted prices in active markets for identical assets or liabilities, e.g., bond prices.
- Level 2 – fair value is calculated from inputs other than quoted prices that are observable for the asset or liability, e.g., interest rates or yields for similar instruments.
- Level 3 – fair value is determined using unobservable inputs, e.g., non-market data such as cash flow forecasts or estimated creditworthiness.

Except for the financial assets carried at fair value, in the table above, all other financial assets and liabilities held by the Council are carried at amortised cost. The fair value of other long-term loans have been discounted at market rate for similar instruments with similar remaining terms to maturity on 31<sup>st</sup> March. No early repayment or impairment has been recognised.

**Financial assets measured at fair value**

	2021/22		2022/23	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
Trade debtors	1,332	1,332	683	683
Cash and cash equivalents	26,287	26,287	19,647	19,647
Short term investments	-	-	2,001	2,001
	<b>27,619</b>	<b>27,619</b>	<b>22,331</b>	<b>22,331</b>

Short term debtors and investments are carried at cost as this is a fair approximation of their value.

**Financial liabilities measured at fair value**

Financial Liabilities	2021/22		2022/23	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
<b>Held at amortised cost:</b>				
Long term PWLB loans	(5,450)	(7,005)	(5,450)	(5,883)
Trade creditors	(3,098)	(3,098)	(6,446)	(6,446)
Short term borrowing	(6)	(6)	(6)	(6)
	<b>(8,554)</b>	<b>(10,109)</b>	<b>(11,902)</b>	<b>(12,335)</b>

The fair value of financial liabilities held at amortised cost is higher than their balance sheet carrying amount because the authority's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans as at the Balance Sheet date. This shows a notional future loss arising from the commitment to pay interest to lenders above current market rates. The fair value of short-term financial assets held at amortised cost, including trade receivables, is assumed to approximate to the carrying amount.

## Financial Instruments – Risks

The Council complies with CIPFA's Code of Practice on Treasury Management and Prudential Code for Capital Finance in Local Authorities, both revised in 2021.

In line with the Treasury Management Code, the Council approves a treasury Management Strategy before commencement of each financial year. The Strategy sets out the parameters for the management of risks associated with financial instruments.

The Treasury Management Strategy includes an Investment Strategy in compliance with the Ministry for Levelling Up, Housing and Communities Guidance on Local Government Investments. This Guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Management Strategy seeks to achieve a suitable balance between risk and return or cost.

The main risks covered are:

- **Credit Risk:** The possibility that the counterparty to a financial asset will fail to meet its contractual obligations, causing a loss to the Council.
- **Liquidity Risk:** The possibility that the Council might not have the cash available to make contracted payments on time.
- **Market Risk:** The possibility that an unplanned financial loss will materialise because of changes in market variables such as interest rates or equity prices.

### Credit Risk: Treasury Investments

The Council manages credit risk by ensuring that treasury investments are only placed with organisations of high credit quality as set out in the Treasury Management Strategy. These include commercial entities with a minimum long-term credit rating of A-, the UK government, other local authorities, and organisations without credit ratings upon which the Council has received independent investment advice. Recognising that credit ratings are imperfect predictors of default; the Council has regard to other measures including credit default swap and equity prices when selecting commercial entities for investment.

The Council has set a number of limits as per the table below to manage credit risk:

	<u>Time Limit</u>	<u>Counterparty Limit</u>	<u>Sector Limit</u>
UK Government	50 years	unlimited	n/a
Local Authorities & other Government entities	25 years	£4m	unlimited
Secured Investments	25 years	£4m	unlimited
Banks (unsecured)	13 months	£2m	unlimited
Building Societies (unsecured)	13 months	£2m	£4m
Registered Providers (unsecured) Social Housing	5 years	£2m	£10m
Strategic Pooled Funds (Bond, Equity & Property Funds)	n/a	£4m	£20m
Money Market Funds	n/a	£4m	unlimited
Real estate investment trusts	n/a	£4m	£10m
Other investments (unsecured corporate bonds & company loans)	5 years	£2m	£4m

The table below summarises the credit risk exposures of the Council's treasury investment portfolio by credit rating and remaining time to maturity:

2022/23 Credit rating	Long-term £000's	Short-term £000's
A+	-	12,640
AAA	-	-
Central Government	-	9,008
Credit risk not applicable	885	-
<b>Total Financial Assets</b>	<b>885</b>	<b>21,648</b>

### Credit Risk – Trade Receivables

Loss allowances on trade receivables have been calculated by reference to the Council's historic experience of default. It is anticipated future events will not materially affect the Council's recovery performance. Receivables are written off to the Surplus or Deficit on the Provision of Services when they are considered irrecoverable, and all enforcement activity has been exhausted.

### Liquidity Risk

The Council has ready access to borrowing at favourable rates from the Public Works Loan Board and other local authorities, and at higher rates from banks and building societies. The Council has one PWLB Loan for £5,450,000. There is no perceived risk that the Council will be unable to raise finance to meet its commitments. The PWLB loan matures in 33 years in 2056.

### Market Risks: Interest Rate Risk

The Council is exposed to risk in terms of its exposure to interest rates movements on its borrowings and investments. Movements in interest rates have a complex impact on the authority. For instance, a rise in interest rates would have the following effects:

- Borrowings at fixed rates – the fair value of the liabilities will fall.
- Investments at fixed rates – the fair value of the assets will fall.

Investments measured at amortised cost and loans borrowed are not carried at fair value, so changes in their fair value will have no impact on the Comprehensive Income and Expenditure Statement.

If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be a change in interest received of £111,277.

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed.

### Market Risks: Price Risk

The market prices of the Council's fixed rate bond investments and its units in pooled bond funds are governed by prevailing interest rates and the price risk associated with these instruments is managed alongside interest rate risk.

The Council's investment in a pooled property fund is subject to the risk of falling commercial property prices. This risk is limited by the Council's maximum exposure to property investments of £4m. A 5% fall in commercial property prices at 31<sup>st</sup> March 2023 would result in a £40,841 (2022: £49,620) charge to the Surplus or Deficit on the Provision of Services which is then transferred to the Financial Instrument Revaluation Reserve (FIRR).

## 15. DEBTORS

2021/22 £'000s		2022/23 £'000s
901	Trade Debtors	335
371	Council Taxpayers - Derbyshire Dales share	433
398	Business Ratepayers Derbyshire Dales share	462
431	Payments in Advance	348
11,225	Other Entities and Individuals	6,290
<u>13,327</u>		<u>7,867</u>

## 16. CASH AND CASH EQUIVALENTS

2021/22 £'000s		2022/23 £'000s
787	Cash and Bank	190
23,500	Money Market Funds	12,450
-	Local Authorities	3,003
2,000	UK Government	4,004
<u>26,287</u>		<u>19,647</u>

## 17. CREDITORS

2021/22 £'000s		2022/23 £'000s
(3,098)	Trade Creditors	(6,446)
125	Council Tax	(144)
(290)	Business Rates	(187)
(5,189)	Income in Advance	(774)
(13,127)	Other Entities and Individuals	(1,059)
<u>(21,579)</u>		<u>(8,610)</u>

## 18. PROVISIONS

### Insurance claims

The Insurances Provision was established to provide for claims that are pending in respect of uninsured losses, arising where there is no externally provided cover, such as where quotations from external insurers are not cost effective when compared with the value of claims likely to be made. Also covered are losses falling within the levels of excess on all other policies. Each of the insurance claims is individually insignificant. Claims relate to personal injuries where the Authority is alleged to be at fault (e.g., through a failure to repair a car park properly) or vehicle accidents. Provision has been made for those claims where it is deemed probable that the Authority will have to make a settlement, based on past experience of court decisions about liability and the amount of damages payable. It is not clear when all the outstanding claims will be settled as some, especially personal accident claims involving minors, can take several years to settle. The Authority may be reimbursed by its insurers for amounts above its excess and, where there is reasonable assurance that this will be so, the income has been recognised.

The Council received an insurance claim in 2020/21 attributable to the now defunct Matlock Urban District Council, an organisation that no longer exists and was replaced by the District Council in 1974. The contents of this claim are sensitive in nature, but at the 31/03/23 there was a probability that a settlement would be made. Accordingly, a provision has been made at the value of £20k as advised by external solicitors acting on the Council's behalf. Further information has been received since 31/03/23 which means it is likely, but not yet certain that this provision will be removed during 2023/24.

### NDR Backdated Appeals

The Council is carrying a provision of £0.970m (£1.964m in 2021/22) for the repayment of any successful NDR appeals upheld by the Valuation Office Agency (VOA). Prior to the introduction of the Retained Business Rate Scheme the cost of these appeals was met by the national pool administered by central government, and during 2022/23 the Council is liable for 40% of the cost of appeals. The timing of these appeals is uncertain and outside the control of the Council as they are dependent upon reviews of cases conducted by the VOA.

	Long Term Insurances	Short Term NNDR Appeals	Total
	£'000s	£'000s	£'000s
<b>1st April 2021</b>	<b>(82)</b>	<b>(1,535)</b>	<b>(1,617)</b>
Additional provisions made in 2021/22	-	(776)	(776)
Amounts used in 2021/22	1	347	348
Provision released in 2021/22	50	-	50
<b>31st March 2022</b>	<b>(31)</b>	<b>(1,964)</b>	<b>(1,995)</b>
Additional provisions made in 2022/23	(4)	-	(4)
Amounts used in 2022/23	1	186	187
Provision released in 2022/23	-	808	808
<b>31st March 2023</b>	<b>(34)</b>	<b>(970)</b>	<b>(1,004)</b>



## 19. TRANSFERS TO / FROM EARMARKED RESERVES

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure in 2022/23.

	Balance at 1st April 2022 £'000s	Receipts in year £'000s	Payments in year £'000s	Balance at 31st March 2023 £'000s	Movement 2022/23 £'000s	Movement 2021/22 £'000s
- Business Rate Fluctuations	(716)	(959)	-	(1,675)	(959)	-
Capital Programme Carsington Improvements	(1,134)	(177)	354	(957)	177	576
Committed Expenditure Corporate Plan Priority Reserve	(480)	(235)	177	(538)	(58)	(145)
COVID Funding Reserve	(201)	-	-	(201)	-	-
Customer Innovation Project	(43)	-	43	-	43	565
Economic Development Elections	(248)	-	171	(77)	171	(95)
Funding Uncertainties Information Technology	(228)	(159)	246	(141)	87	53
Insurances	(158)	(30)	-	(188)	(30)	(30)
Investment Fund Job Evaluation	(508)	-	-	(508)	-	-
Local Plan Member / Officer Indemnity	(308)	(64)	90	(282)	26	64
Revenue Grants Unapplied	(464)	-	-	(464)	-	-
Vehicle Renewals Waste Fluctuations Reserve	(563)	-	-	(563)	-	-
Waste Vehicle Reserve	(150)	-	-	(150)	-	-
Major Repairs Reserve Ashbourne Reborn Reserve	(200)	(49)	135	(114)	86	6
	(25)	-	-	(25)	-	-
<b>Grand Total</b>	<b>(17,737)</b>	<b>(5,173)</b>	<b>6,039</b>	<b>(16,871)</b>	<b>866</b>	<b>3,232</b>

Reserves are held for the following purposes:

<b>Reserve</b>	<b>Purpose</b>
Business Rate Fluctuations Reserve	To provide funds that can be used to meet future losses in non-domestic rates.
Capital Programme	For future application to finance capital schemes.
Carsington Improvements	To finance new or improved facilities for visitors to Carsington Reservoir or to mitigate any adverse effect on the locality caused by the development of the reservoir or the attraction of visitors to it, after consultations with Severn Trent Water.
Committed Expenditure	To finance expenditure committed in the Council's accounts as at 31st March but not yet due.
Covid Funding Reserve	To provide funding for future pressures relating to or resulting from Covid 19.
Customer Innovation Project	To procure and implement a customer platform that integrates with existing systems to enable us to drive channel shift and to deliver easier, faster and better customer service. To provide our customers with an improved, user friendly and accessible means of accessing and paying for services electronically and promote a culture of 'digital by choice' for all customer interactions.
Economic Development	To finance economic development schemes within the district.
Elections	To finance future District Council elections, by spreading the estimated costs annually.
Funding Uncertainties	To provide finance to meet the immediate requirements of a balanced budget including if future funding is lower than reasonably anticipated.
Information Technology	To acquire items of information and communications technology, such as personal computers and telephony and in connection with the Council's IT strategy.
Insurances	To finance any unknown future liabilities incurred where the Council has not externalised the insurance cover, mainly where quotations from external insurers are not cost effective when compared to the value of claims likely to be made such as for terrorism. Also covered are losses falling within the levels of excess on all other policies and levies under the Municipal Insurance Ltd Scheme of Arrangement (see note 40).
Investment Fund	To provide funds that can be used to finance schemes that will result in future ongoing savings.
Job Evaluation	To finance the extra costs of Job Evaluation reviews.
Local Plan	To finance the costs of the Council's Local Plan by spreading cost annually.
Member / Officer Indemnity	This reserve provides for risks not covered by insurance. The main risks comprise acts or omissions found to be ultra vires and defence costs of criminal proceedings.
Revenue Grants Unapplied	The balance of grants received but not yet spent, set aside to finance expenditure in future years.
Vehicle Renewals	To fund the replacement of the Council's vehicle fleet. The balance on this reserve has been re-examined based on the current fleet of vehicles.
Waste Fluctuations	To smooth the impact of changes in recycling prices on the new waste contract.
Major Repairs Reserve	To provide funding for major repairs and improvements to property owned and let by the Council.
Ashbourne Reborn Reserve	Funding set aside for the Ashbourne Reborn capital project.

## 20. USABLE RESERVES

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement. The table below shows the balances at 31 March:

2021/22 £'000s		2022/23 £'000s
	<u>Revenue Accounts</u>	
(4,035)	General Fund	(4,777)
	<u>Earmarked Reserves</u>	
(1,858)	Capital	(1,506)
(15,881)	Revenue	(15,365)
<b>(17,739)</b>		<b>(16,871)</b>
	<u>Other</u>	
(1,921)	Capital Receipts Reserve	(1,978)
(892)	Capital Grants Unapplied	(1,901)
<b>(24,587)</b>	<b>Total Usable Reserves</b>	<b>(25,527)</b>

## 21. UNUSABLE RESERVES

2021/22 £'000s		2022/23 £'000s
(36,239)	Capital Adjustment Account	(36,765)
(35,794)	Revaluation Reserve	(37,020)
3,771	Financial Instruments Adjustment Account	3,660
22,233	Pensions Reserve	454
3,326	Collection Fund Adjustment Account	629
(48)	Financial Instruments Revaluation	125
101	Accumulated Absences Reserve	90
<b>(42,650)</b>	<b>Total Unusable Reserves</b>	<b>(68,827)</b>

### Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for the consumption of non-current assets and for financing the acquisition, construction, or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair

value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction, and enhancement.

The Account contains revaluation gains accumulated on Property, Plant and Equipment before April 2007, the date that the Revaluation reserve was created to hold such gains.

2021/22 £'000s		2022/23 £'000s
(35,696)	<b>Balance at 1 April</b>	(36,238)
527	<b>Adjust Opening Balance</b>	
	Reversal of Items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
	Charges for depreciation, revaluation and impairment of non-current assets	
2,410		2,145
80	Amortisation of intangible assets	51
(187)	Movement in fair value of investment properties	(18)
1,862	Revenue expenditure funded from capital under statute	2,168
	Amounts of non-current assets written off on disposal or sale as part of the gain / loss on disposal to the Comprehensive Income and Expenditure Statement	
6		165
4,171		4,511
	Historic Cost depreciation transfer from Revaluation Reserve	
	Revaluation Reserve balances written off on disposed assets	
(695)	Adjustment between Revaluation Reserve and Capital Adjustment Account	(701)
	Movement in Fixed Assets recognised in year	
3,476	Net written out amount of the cost of non-current assets consumed in the year	3,810
	Capital financing applied in the year:	
	Use of the Capital Receipts Reserve to finance new capital expenditure	
(1,238)		(421)
	Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	
(1,594)		(1,928)
	Statutory provision for the financing of capital investment charged against the General Fund Balance	
(101)		(103)
(1,612)	Capital expenditure charged against General Fund balances	(1,885)
(4,545)		(4,337)
	Movements in the market value of investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	
-		-
<u>(36,238)</u>	<b>Balance at 31 March</b>	<u>(36,765)</u>

## Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- Revalued downwards or impaired and the gains are lost.
- Used in the provision of services and the gains are consumed through depreciation, or
- Disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2021/22 £'000s		2022/23 £'000s
<b>(35,096)</b>	<b>Balance at 1 April</b>	<b>(35,794)</b>
(2,541)	Upward revaluation of assets	(3,586)
1,148	Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	1,659
(1,393)	Surplus or deficit on revaluation of non-current assets not posted to the Surplus or Deficit on the Provision of Services	(1,927)
	Difference between fair value depreciation and historical cost depreciation	
695	Accumulated gains on assets sold or scrapped Adjustment between Revaluation Reserve and Capital Adjustment Account	701
695	Amount written off to Capital Adjustment Account	701
<b><u>(35,794)</u></b>	<b>Balance at 31 March</b>	<b><u>(37,020)</u></b>

## Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenses relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions. The Authority uses the Account to manage premiums paid on the early repayment of loans, which were redeemed in 2003/04. Premiums are excluded from the Comprehensive Income and Expenditure Statement but included in the Movement in Reserves Statement. Over time, the expense is posted back to the General fund Balance in accordance with statutory arrangements for spreading the burden on council tax. In this Authority's case, the period to charge the premium is 50 years.

2021/22 £'000s		2022/23 £'000s
3,882	<b>Balance at 1 April</b>	3,771
(111)	Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(111)
<u>3,771</u>	<b>Balance at 31 March</b>	<u>3,660</u>

### Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the authority makes employer's contributions to the pension fund or eventually pays any pension for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time that the benefits come to be paid.

2021/22 £'000s		2022/23 £'000s
28,681	<b>Balance at 1 April</b>	22,233
(8,542)	Re-measurements of net defined liability	(23,627)
3,694	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	3,456
(1,600)	Employer's pensions contributions payable in the year	(1,608)
<u>22,233</u>	<b>Balance at 31 March</b>	<u>454</u>

## Collection Fund Adjustment Account

The Collection Fund Adjustment Account manages the differences arising from the recognition of council tax income in the Comprehensive Income and Expenditure Statement as it falls due from taxpayers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

2021/22 £'000s		2022/23 £'000s
<b>4,744</b>	<b>Balance at 1 April</b>	<b>3,326</b>
(88)	Amount by which council tax income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory arrangements	158
(1,330)	Amount by which Business Rate income credited to the Comprehensive Income and Expenditure Statement is different from business rate income calculated for the year in accordance with statutory arrangements	(2,855)
<b><u>3,326</u></b>	<b>Balance at 31 March</b>	<b><u>629</u></b>

## Financial Instrument Revaluation Reserve

The Financial Instrument Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that are measured at fair value through other comprehensive income. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains lost.
- disposed of and the gains are realised.

The Ministry for Levelling Up, Housing and Communities introduced a statutory override following the adaptation of IFRS9 to protect the General Fund balance from any movements in fair value of quoted investment funds. In the Council's case, this applies to its investment in the CCLA Property Fund. This override expires on 31 March 2025 and, unless extended, all fair value movements in this investment will impact the General Fund balance.

2021/22 £'000s		2022/23 £'000s
155	<b>Balance at 1 April</b>	(49)
(204)	Movement of Financial Instruments held under fair value through Profit and Loss	173
<u>(49)</u>	<b>Balance at 31 March</b>	<u>124</u>

### Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g., annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2021/22 £'000s		2022/23 £'000s
<b>114</b>	<b>Balance at 1 April</b>	<b>101</b>
(114)	Settlement or cancellation of accrual made at the end of the preceding year	(101)
101	Amounts accrued at the end of the current year	90
<u>101</u>	<b>Balance at 31 March</b>	<u>90</u>

## 22. CASH FLOW STATEMENT – OPERATING ACTIVITIES

The cash flows for operating activities include the following items:

2021/22 £'000s		2022/23 £'000s
164	Interest received	713
(223)	Interest paid	(225)
<u>(59)</u>	<b>Total</b>	<u>488</u>



The net (surplus)/deficit on the provision of services has been adjusted for the following items that are investing and financing activities:

2021/22 £'000s		2022/23 £'000s
-	Proceeds from short-term and long-term investments	-
(605)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(477)
(1,224)	Any other items for which the cash effects are investing or financing cash flows	(2,937)
<u><b>(1,829)</b></u>	<b>Total</b>	<u><b>(3,414)</b></u>

The net (surplus)/deficit on the provision of services has been adjusted for the following non-cash movements:

2021/22 £'000s		2022/23 £'000s
2,410	Depreciation	2,065
527	Impairment and revaluations	79
80	Amortisation	51
4,333	Increase/Decrease in Creditors excl. investment and financing	(9,526)
1,551	Increase/Decrease in Debtors excl. investment and financing	2,551
1	Increase/Decrease in Inventories	10
2,094	Movement in Pension Liability	1,848
6	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	165
(12)	Other non-cash items charged to the net surplus or deficit on the provision of services	(845)
<u><b>10,990</b></u>	<b>Total</b>	<u><b>(3,602)</b></u>

## 23. CASH FLOW STATEMENT – INVESTING ACTIVITIES

2021/22 £'000s		2022/23 £'000s
(2,584)	Purchase of property, plant and equipment, investment property and intangible assets	(2,568)
-	- Purchase of short-term and long-term investments	(2,001)
605	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	477
1,224	Other receipts from investing activities	2,890
<u>(755)</u>	<b>Net cash flows from investing activities</b>	<u>(1,202)</u>

## 24. CASH FLOW STATEMENT – FINANCING ACTIVITIES

2021/22 £'000s		2022/23 £'000s
-	- Other payments for financing activities	15
<u>-</u>	<b>Net cash flows from financing activities</b>	<u>15</u>

## 25. EXTERNAL AUDIT COSTS

The Authority paid the following fees relating to external audit:

2021/22 £'000s		2022/23 £'000s
44	Audit Fee	58
8	Housing Benefits assurance work	12
<u>52</u>	<b>Total Fees</b>	<u>70</u>

## 26. MEMBERS' ALLOWANCES

Members allowances paid during 2022/23 amounted to £230,914 (2021/22 £230,463). In addition, travel expenses amounting to £5,630 were paid (2021/22 £2,976).

## 27. EXIT PACKAGES AND TERMINATION BENEFITS

There were no material exit packages paid by the Council in 2021/22 or 2022/23.

## 28. OFFICERS' REMUNERATION

The remuneration paid to the Authority's senior employees is as follows:

<b>Post Holder</b>		<b>Salary, Fees and Allowances £</b>	<b>Benefits in Kind £</b>	<b>Employer's Pension Contributions £</b>	<b>Total Remuneration £</b>
<b>Chief Executive</b>	2022/23	113,176	-	16,484	129,660
	2021/22	110,978	-	16,203	127,181
<b>Director of Resources</b>	2022/23	76,975	-	11,269	88,244
	2021/22	75,257	-	10,987	86,244
<b>Director of Regeneration &amp; Policy</b>	2022/23	69,916	-	10,208	80,124
	2021/22	67,991	-	9,927	77,918
<b>Director of Corporate &amp; Customer Services</b>	2022/23	68,218	-	9,960	78,178
	2021/22	64,629	-	9,436	74,065
<b>Director of Regulatory Services</b>	2022/23	70,166	-	10,244	80,410
	2021/22	68,491	-	10,000	78,491
<b>Director of Community &amp; Environmental Services</b>	2022/23	69,916	-	10,208	80,124
	2021/22	68,491	-	10,000	78,491
<b>Director of Housing</b>	2022/23	61,815	-	9,025	70,840
	2021/22	57,931	-	8,458	66,389

The Council has the following other employees whose remuneration exceeded £50,000 excluding employer's pension contributions, during the 2022/23 financial year.

<b>Remuneration</b>	2021/22	2022/23
£50,000 to £54,999	<u>2</u>	<u>4</u>
	<u><b>2</b></u>	<u><b>4</b></u>

## 29. GOVERNMENT AND NON-GOVERNMENT GRANTS

The Authority credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement in the year:

2021/22 £'000s		2022/23 £'000s
	<b>Credited to Taxation and Non-specific Grant Income</b>	
(421)	Revenue Support Grant (inc. Rural Services Delivery Grant)	(421)
(398)	New Homes Bonus	(777)
(602)	Disabled Facilities Grants*	-
(2,923)	Retained Business Rates	(4,628)
(8,388)	Council Tax Income	(8,559)
(622)	Recognised Capital Grants & Contributions	(3,431)
(72)	Lower Tier Services Grant	(77)
(796)	Other Non-Ring Fenced Grant	(172)
<b><u>(14,222)</u></b>		<b><u>(18,065)</u></b>
	<b>Credited to Services</b>	
	<b>Government Grants</b>	
(9,055)	Rent Allowances	(8,442)
(82)	Discretionary Housing Payments	(58)
(177)	Housing and Council Tax Benefits Administration	(174)
(153)	NNDR Cost of Collection	(157)
-	Other Housing Benefits Grants	(40)
(71)	New Burdens	(191)
(167)	Homelessness Grants	(175)
-	Housing Improvement Programme	(177)
(2)	NRLF Leisure Grant	-
(12)	LADS Programme	-
-	Pathfinder	(96)
(76)	Contain Outbreak Management Fund	-
-	UK Shared Prosperity Fund	(146)
(194)	Omicron Additional Restrictions Grant	-
(3)	DEFRA & FSA Food Information Grant	-
(70)	Welcome Back Fund	-
(15)	Redmond Review Implementation	(16)
(1,043)	COVID-19 Discretionary Business Grants	-
(52)	COVID-19 Self Isolation Payments	-
(77)	COVID-19 Track & Trace	(1)
-	Support for Energy Bills - Discretionary Funding	(131)
-	Biodiversity Grant	(15)
-	Low Carbon Skills Fund	(112)
-	Disabled Facilities Grants*	(605)
<b><u>(11,249)</u></b>		<b><u>(10,536)</u></b>
<b><u>(25,471)</u></b>	<b>Total Grants</b>	<b><u>(28,601)</u></b>

\*Disabled Facilities Grant has been moved to net cost of service to reflect the nature of the expenditure.

### 30. CAPITAL EXPENDITURE AND FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Authority, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Authority that has yet to be financed. The CFR is analysed in the second part of this note.

2021/22 £'000s		2022/23 £'000s
<b>5,552</b>	<b>Opening Capital Financing Requirement</b>	<b>5,451</b>
	Opening balance adjustment*	343
	<b>Capital Investment</b>	
2,584	Property, Plant and Equipment	2,065
1,862	Revenue expenditure Funded from capital	2,168
-	Adjustment for asset acquired at less than fair value	-
	<b>Sources of finance</b>	
(1,239)	Capital receipts	(421)
(1,594)	Other grants and contributions	(1,928)
(1,613)	Direct revenue contributions	(1,885)
(101)	Minimum revenue provision	(103)
<b>5,451</b>	<b>Closing Capital Financing Requirement</b>	<b>5,690</b>
	<b>Explanation of movements in year</b>	
(101)	Increase /(Decrease) in underlying need to borrow (unsupported by government financial assistance)	(104)
<b>(101)</b>	<b>Increase / (Decrease) in Capital Financing Requirement</b>	<b>(104)</b>

\*The opening balance on the CFR note has been adjusted to correct a historic difference between this note and the CFR of the Council.

## 31. RELATED PARTIES

The Authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

**Central government** has significant influence over the general operations of the Council – it is responsible for providing the statutory framework within which the Council operates, provides much of the Council's funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills and housing benefits). Grants received from government departments are set out in the subjective analysis in Note 36.

**Members of the Council** have direct control over the Council's financial and operating policies. The total of members' allowances paid in 2022/23 is disclosed in Note 33.

**Members of the Corporate Leadership Team (CLT)** were also asked to disclose any relevant interests; During 2022/23 services to the value of £578,628 were commissioned from companies which a member of the Corporate Leadership Team had interest in, this relationship had no bearing on any decision made. Contracts were entered into following full compliance with the Council's procedure rules.

## 32. LEASES

### Derbyshire Dales District Council as Lessee

#### Operating leases

The Council rents land for use as Car Parking. The leases range from a period of 5 to 125 years.

The future minimum lease payments due under non-cancellable leases in future years are:

2021/22 £'000s		2022/23 £'000s
118	Not later than one year	124
471	Later than one year and not later than five	495
6,349	Later than five years	6,920
<u>6,938</u>	<b>Total Operating Lease Payments</b>	<u>7,539</u>

## Derbyshire Dales District Council as Lessor

### Operating leases

The Authority leases out property under operating leases for the following purposes:

- for the provision of community services, such as sports facilities, tourism services and community centres
- for economic development purposes to provide suitable, affordable accommodation for local businesses.

The future minimum lease payments due under non-cancellable leases in future years are:

2021/22 £'000s		2022/23 £'000s
(204)	Not later than one year	(172)
(735)	Later than one year and not later than five	(674)
(6,530)	Later than five years	(6,283)
<u>(7,469)</u>	<b>Total Operating Leases receivable</b>	<u>(7,129)</u>

The minimum lease payments receivable do not include rents that are contingent upon events taking place after the lease was entered into, such as adjustments following rent reviews.

## 33. POST EMPLOYMENT BENEFITS: DEFINED BENEFIT PENSION SCHEME

### Participation in pension scheme

As part of the terms and conditions of employment of its officers and other employees, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Authority has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme (LGPS), which is administered by Derbyshire County Council. This is a funded defined benefit final salary scheme, meaning that the Council and participating employees pay contributions into a fund, calculated at a level that is intended to balance the pension liabilities with investment assets.

### Transactions relating to retirement benefits.

The Authority recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against the council tax (determined by statute) is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund balance via the Movement in Reserves Statement during the year:



2021/22 £000s	<b>Comprehensive Income and Expenditure Statement</b>	2022/23 £000s
	<i>Service Cost</i>	
3,105	Current service cost	2,840
-	Past service cost (including curtailments)	-
-	Effect of Settlements	-
<b>3,105</b>	<b>Total Service Costs</b>	<b>2,840</b>
	<i>Financing and Investment income and Expenditure</i>	
(1,361)	Interest Income on plan assets	(2,021)
1,950	Interest cost on defined benefit obligation	2,637
<b>589</b>	<b>Total Net Interest</b>	<b>616</b>
<b>3,694</b>	<b>Total Post Employment Benefit Charged to the Surplus or Deficit on the Provision of Services</b>	<b>3,456</b>
	<i>Re-measurements of the Net Defined Liability Compromising</i>	
(3,777)	Return on plan assets excluding amounts included in net interest	4,173
(1,452)	Actuarial (Gains)/Losses arising from changes in financial assumptions	(658)
(5,520)	Actuarial (Gains)/Losses arising from changes in demographic assumptions	(36,077)
-	Asset Ceiling Adjustment	3,824
2,207	Other	5,111
<b>(8,542)</b>	<b>Total re-measurements recognised in other comprehensive income</b>	<b>(23,627)</b>
<b>(4,848)</b>	<b>Total Post- Employment Benefits Charged to the Comprehensive Income and Expenditure Statement</b>	<b>(20,171)</b>
	<b>Movement in Reserves Statement</b>	
(3,694)	Reversal of net charges made to the Surplus or Deficit for the Provision of Services	(3,456)
1,600	Employer's contributions payable to scheme	1,608

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit scheme is as follows:

2021/22 £000s		2022/23 £000s
75,070	Fair Value of employer assets	72,564
(96,334)	Present value of funded liabilities	(72,191)
(969)	Present value of unfunded liabilities	(827)
<b>(22,233)</b>	<b>Net Liability Arising from Defined Benefit Obligation</b>	<b>(454)</b>

Some of the scheme liabilities are “unfunded”. This means that they are not a liability of the Local Government Pension Scheme and are instead met by the employer out of its own financial resources. At this Council, unfunded liabilities are mostly Compensatory Added Years benefits awarded to current pensioners when they first retired, and they are all wholly unfunded.

**Basis for estimating assets and liabilities.**

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc. Hymans Robertson LLP, an independent firm of actuaries, has assessed the pension scheme liabilities with estimates for the Council being based on the latest valuation of the scheme as at 31<sup>st</sup> March 2023.

Reconciliation of present value of the scheme liabilities (defined benefit obligation):

<b>2021/22</b> <b>£000s</b>		<b>2022/23</b> <b>£000s</b>
96,942	Opening fair value of scheme liabilities	97,303
3,105	Current service cost	2,840
-	Past Service Cost	-
-	Effect of Settlements	-
1,950	Interest cost	2,637
399	Contributions from scheme participants	409
	Re-measurement gain	
(1,452)	Actuarial (Gains)/Losses arising from changes in financial assumptions	(658)
(5,520)	Actuarial (Gains)/Losses arising from changes in demographic assumptions	(36,077)
-	Asset Ceiling Adjustment	3,824
4,164	Other	5,111
(2,285)	Benefits Paid	(2,371)
<b><u>97,303</u></b>	<b>Closing Fair Value of Scheme Liabilities</b>	<b><u>73,018</u></b>

Reconciliation of fair value of the scheme (plan) assets:

2021/22 £000s		2022/23 £000s
68,261	Opening Fair value of scheme assets	75,070
1,361	Interest Income	2,021
-	Effect of Settlements	-
3,777	Return on plan assets excluding amounts included in net interest	(4,173)
1,957	Other	-
1,600	Contributions from employer	1,608
399	Contributions from employees into the scheme	409
(2,285)	Benefits paid	(2,371)
<b>75,070</b>	<b>Closing Fair Value of Scheme Assets</b>	<b>72,564</b>

Pension Scheme Assets Comprised:

Asset Category	31st March 2023			Percentage of Total Assets	Sub Total Percentage of Total Assets
	Quoted Prices in Active Markets £'000	Quoted Prices not in active markets £'000	Total £'000		
<b>Equity Securities:</b>					
Consumer	228	-	228	0.3%	
Manufacturing	91	-	91	0.1%	
Energy and Utilities	67	-	67	0.1%	
Financial Institutions	91	-	91	0.1%	
Health and Care	126	-	126	0.2%	
Information Technology	150	-	150	0.2%	
Other	2,124	-	2,124	2.9%	3.9%
<b>Debt Securities:</b>					
Corporate Bonds (investment Grade)	4,134	5,165	9,299	12.8%	
UK Government	5,867	-	5,867	8.1%	
Other	1,207	-	1,207	1.7%	22.6%
<b>Private Equity:</b>					
All	1,106	2,423	3,529	7.9%	7.9%
<b>Real Estate:</b>					
UK Property	172	5,556	5,728	4.9%	4.9%
<b>Investment Funds &amp; Unit Trusts:</b>					
Equities	12,335	21,776	34,111	47.0%	
Infrastructure	1,457	6,355	7,812	10.8%	57.8%
<b>Cash and Cash Equivalents:</b>					
All	0	2,134	2,134	2.9%	2.9%
<b>Totals</b>	<b>29,155</b>	<b>43,409</b>	<b>72,564</b>	<b>100.0%</b>	<b>100.0%</b>

31st March 2022					
Asset Category	Quoted Prices in Active Markets £'000	Quoted Prices not in active markets £'000	Total £'000	Percentage of Total Assets	Sub Total Percentage of Total Assets
<b>Equity Securities:</b>					
Consumer	297	-	297	0.4%	
Manufacturing	191	-	191	0.3%	
Energy and Utilities	95	-	95	0.1%	
Financial Institutions	143	-	143	0.2%	
Health and Care	197	-	197	0.2%	
Information Technology	269	-	269	0.4%	
Other	2,628	-	2,628	3.5%	5.1%
<b>Debt Securities:</b>					
Corporate Bonds (investment Grade)	4,649	5,122	9,771	13.0%	
UK Government	6,300	-	6,300	8.4%	
Other	1,333	-	1,333	1.8%	23.2%
<b>Private Equity:</b>					
All	1,403	2,201	3,604	4.8%	4.8%
<b>Real Estate:</b>					
UK Property	403	5,514	5,917	7.9%	7.9%
<b>Investment Funds &amp; Unit Trusts:</b>					
Equities	22,334	12,434	34,768	46.3%	
Infrastructure	1,569	4,617	6,186	8.2%	54.6%
<b>Cash and Cash Equivalents:</b>					
All	0	3,373	3,373	4.5%	4.5%
<b>Totals</b>	<b>41,811</b>	<b>33,261</b>	<b>75,072</b>	<b>100%</b>	<b>100%</b>

The significant assumptions used by the actuary have been:

Mortality Assumptions	31-Mar-23	31-Mar-22
Longevity at 65 for current pensioners		
Men	21.0	21.3
Women	24.0	24.3
Longevity at 65 for future pensioners		
Men	21.8	22.2
Women	25.5	25.8

Financial Assumptions	31-Mar-23	31-Mar-22
Pension Increase Rate (CPI)	2.95%	3.20%
Salary Increase Rate	3.95%	4.20%
Discount Rate	4.75%	2.70%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below based on reasonable possible changes to the assumptions occurring at the end of the reporting period and assumes for each change that the assumption analysed changes while all the other assumptions remain constant. The assumptions in longevity, for example, assume that life expectancy increases or decreases for men and women. In practice this is unlikely to occur and changes in some of the assumptions may be interrelated. The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e., on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

Change in Assumptions at 31 March 2023	Approximate % Increase to Employer Liability	Approximate Monetary Amount (£000)
0.1% decrease in Real Discount Rate	2%	1,195
1 year increase in member life expectancy	4%	2,768
0.1% increase in the Salary Increase Rate	0%	170
0.1% increase in the Pension Increase Rate	2%	1,042

### Impact on the Authority's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. The Council has agreed a strategy with the scheme's actuary to achieve a funding level of 100% over the next 3 years. Funding levels are monitored on an annual basis. The last triennial valuation was completed on 31 March 2022.

The liabilities show the underlying commitments that the council has in the long run to pay post-employment (retirement) benefits. The total liability of £68,367,000 (plus unfunded obligations of £827,000) is offset by the Council's assets in the scheme of £72,564,000, creating a net surplus of £3,370,000. The scheme is now showing a small surplus, mainly due to a change in the financial assumptions from the actuary.

The council anticipates paying contributions of £1,469,000 to the scheme in 2023/24

## **34. CONTINGENT LIABILITIES**

### **Housing Stock Transfer Warranties**

As part of the Housing Stock Transfer in March 2002, the Council gave warranties for sewers and environmental pollution to Dales Housing. The environmental warranty means that the Council is responsible for the remediation costs of environmental pollution at any of the transferred properties until March 2033. At 31<sup>st</sup> March 2023 the cost of remediation work is estimated at £4.1m. No claims have been received to date. The risk of the warranty being called is considered to be low. No specific financial provision has been made in the accounts at this time, but the situation will be monitored annually.

### **Municipal Mutual Insurance**

In 1992, Municipal Mutual Insurance Ltd (MMI), then the principal insurer of local government, avoided insolvency by entering a Scheme of Arrangement. The “arrangement” with creditors enabled MMI to pay outstanding claims on the basis that, should there be insufficient assets, participating creditors would be subject to “claw back” of previously paid claims. On the basis of a potential £30m share of surplus funds at the time, Derbyshire Dales District Council, along with 728 other authorities, participated in the scheme. In the case of this council the “claw back” is limited to a maximum of £141,121. The directors of MMI triggered the Scheme of Arrangement on 13 November 2012. In 2013 MMI’s administrators informed the Council that under the Scheme of Arrangement an initial levy of 15% of total claim payments was required. The scheme administrators advised the Council that the 15% levy amounted to £21,168. The Levy Notice and demand for payment were issued in 2013/14 and the sum of £21,168 was paid during the year. In 2016 a further levy of 10% of total claim payments was required which amounted to £14,112. As at 31 March 2023 the Levy was calculated as £35,280 therefore no further levy is due at this time.

## **THE COLLECTION FUND**

### **INTRODUCTION**

The Council has a statutory requirement to operate a Collection Fund as a separate account. The purpose of the Collection Fund, therefore, is to ring-fence the income and expenditure relating to Council Tax and Non-domestic Business Rates. The administrative costs associated with the collection process are charged to the General Fund.

The national code of practice followed by Local Authorities in England stipulates that a Collection Fund Income and Expenditure account is shown as a separate statement in the Council's Statement of Accounts.

### **Accounting Policies for the Collection Fund**

- Precepts for major preceptors and the billing authority's demand on the fund are paid out of the Collection Fund and credited to the Comprehensive Income and Expenditure Account Statements of the respective precepting and billing authorities. However, the transactions presented in the Collection Fund Statement are limited to the cash flows permitted by statute for the full financial year, whereas each authority will recognise income on a full accrual's basis (i.e., sharing out the full surplus or deficit on the Collection Fund at the end of the year, even though it will be distributed to or recovered from the authorities in a subsequent financial year).
- Parish precepts are paid from the General Fund of billing authorities and are disclosed on the face of the Comprehensive Income and Expenditure Account Statement.

2021/22 £000s	2021/22 £000s	2021/22 £000s		2022/23 £000s	2022/23 £000s	2022/23 £000s
Council Tax	NDR	Total		Council Tax	NDR	Total
			Income			
(59,287)	-	(59,287)	Income receivable from Council Taxpayers	(61,451)	-	(61,451)
-	(13,935)	(13,935)	Income collectable from Business Ratepayers	-	(16,038)	(16,038)
(49)	(221)	(270)	Transitional protection payments	(33)	44	11
(701)	(9,873)	(10,574)	Contribution towards previous year's est. deficit	(148)	(5,218)	(5,366)
<b>(60,037)</b>	<b>(24,029)</b>	<b>(84,066)</b>	<b>Total Income</b>	<b>(61,632)</b>	<b>(21,212)</b>	<b>(82,844)</b>
			Expenditure			
			Precepts and Demands:			
8,399	-	8,399	- Derbyshire Dales District Council	8,719	-	8,719
41,459	-	41,459	- Derbyshire County Council	43,505	-	43,505
7,242	-	7,242	- Police and Crime Commissioner for Derbyshire	7,684	-	7,684
2,376	-	2,376	- Derbyshire Fire and Rescue	2,469	-	2,469
			Business Rates Paid on Account:			
-	7,671	7,671	- Payments to Derbyshire Dales District Council	-	6,476	6,476
-	1,726	1,726	- Payments to Derbyshire County Council	-	1,457	1,457
-	192	192	- Payments to Derbyshire Fire Authority	-	162	162
-	9,589	9,589	- Payments to Government	-	8,095	8,095
			Transfers to General Fund:			
-	153	153	- Cost of Collection for Business Rates	-	157	157
-	193	193	- Business Rates from Renewable Energy	-	200	200
(56)	(241)	(297)	- Allowance for impairment	263	33	296
-	1,071	1,071	- Provision for appeals	-	(2,485)	(2,485)
<b>59,421</b>	<b>20,354</b>	<b>79,774</b>	<b>Total Expenditure</b>	<b>62,640</b>	<b>14,095</b>	<b>76,735</b>
<b>(617)</b>	<b>(3,676)</b>	<b>(4,292)</b>	<b>(Increase)/decrease for the year</b>	<b>1,008</b>	<b>(7,117)</b>	<b>(6,109)</b>
			Collection Fund Balance			
(1,026)	(11,830)	(12,856)	Surplus / (deficit) brought forward at 1 April	(410)	(8,155)	(8,565)
617	3,675	4,292	Increase/(decrease) for the year (as above)	(1,008)	7,117	6,109
-	-	-	Correction to prior year*	(132)	-	(132)
<b>(410)</b>	<b>(8,155)</b>	<b>(8,564)</b>	<b>Surplus / (deficit) carried forward</b>	<b>(1,550)</b>	<b>(1,038)</b>	<b>(2,588)</b>
			Allocated to:			
-	(4,077)	(4,077)	- Central Government	-	(519)	(519)
(58)	(3,262)	(3,320)	- Derbyshire Dales District Council	(216)	(415)	(631)
(286)	(734)	(1,020)	- Derbyshire County Council	(1,080)	(94)	(1,174)
(50)	-	(50)	- Police and Crime Commissioner for Derbyshire	(192)	-	(192)
(16)	(82)	(98)	- Derbyshire Fire Authority	(62)	(10)	(72)
<b>(410)</b>	<b>(8,155)</b>	<b>(8,565)</b>		<b>(1,550)</b>	<b>(1,038)</b>	<b>(2,588)</b>

\*Correction required to Council Tax deficit carried forward due to 2022/23 and 2023/24 exceptional balances excluded in error.



## Business Rates

The Council collects Non-Domestic Rates (NDR) for its area based on local rateable values provided by the Valuation Office Agency (VOA) multiplied by rates set nationally by Central Government.

Under the Business Rate Retention scheme the Councils local share is 49% and the remainder is distributed to the preceptors, Central Government (50%) and Derbyshire Fire and Rescue Service (1%).

The non-domestic rateable value at 31 March 2023 was £59.070m (£58.697m in 2021/22).

The national non-domestic standard multiplier for 2022/23 was 51.2p (51.2p in 2021/22) and the small business multiplier was 49.9p (49.9p in 2021/22).

## Council Tax

The council tax base is the amount that setting a Council Tax of £1 for a band D property (the standard band) would raise in revenue. The tax base for 2022/23 was calculated as follows:

Band	Number of Dwellings on valuation list	Number of Dwellings, adjusted for discounts, exemptions and reliefs	Ratio to Band D	Equivalent number of Band D full charge properties	Council Tax Base (assuming 99.2% collection rate)
X*	-	1.54	5/9	0.86	0.85
A	3,547	2,189.19	6/9	1,459.46	1,447.76
B	7,491	5,686.10	7/9	4,422.52	4,387.17
C	7,560	6,443.94	8/9	5,727.95	5,682.09
D	5,725	5,291.76	9/9	5,291.76	5,249.41
E	5,155	4,823.29	11/9	5,895.13	5,847.97
F	3,183	3,051.22	13/9	4,407.32	4,372.08
G	2,120	2,010.19	15/9	3,350.32	3,323.48
H	134	115.25	18/9	230.50	228.59
<b>Total</b>	<b>34,915</b>	<b>29,612.48</b>		<b>30,785.81</b>	<b>30,539.40</b>

\* Properties in Band A that receive disabled relief.

In 2022/23 the Council set an overall Band D Council Tax of £2,042.49 (£1,984.14 for 2021/22).

2021/22 £s		2022/23 £s	
1,383.07	Derbyshire County Council	1,424.56	
241.60	Derbyshire Police Authority	251.60	
79.27	Derbyshire Fire & Rescue	80.84	
219.27	Derbyshire Dales District Council	223.52	
<b>1,923.21</b>		<b>1,980.52</b>	
60.93	Average parish council	61.97	
<b>1,984.14</b>	<b>Average Band D Council Tax</b>	<b>2,042.49</b>	

## AUDIT REPORT

Left blank for Audit report.

## **GLOSSARY OF TERMS**

### **Accounting Period**

The period of time covered by the accounts. Normally this is the 12 months commencing on 1 April and finishing on 31 March the following year. The end of the accounting period is the Balance Sheet date.

### **Accrual**

A sum included in the final accounts to cover income or expenditure attributable to an accounting period for goods or services received but not paid for by the end of the accounting period, or for payments or income in advance.

### **Agency**

The provision of services by one local authority (the agent) on behalf of the responsible body. The Authority carrying out agency services is reimbursed by the responsible body to the extent of approved expenditure together with any agreed contribution towards administrative costs.

### **Appropriation**

The transfer of ownership of land or a building between one service and another.

### **Auditor**

An independent expert who examines the Council's processes and accounts to ensure that statutory requirements and non-statutory Codes of Practice have been followed.

### **Balance Sheet**

This shows the financial position of the Council as a whole (excluding amounts attributable to the Ernest Bailey Trust Fund) and summarises its assets, liabilities and reserves as at the end of the accounting period.

### **Budget**

A statement of the Council's policies and spending plans for net revenue and capital expenditure over a specified period of time.

### **Capital Charge**

A charge to service revenue accounts to reflect the cost of fixed assets used in the provision of services.

### **Capital Expenditure**

Expenditure on the acquisition of a fixed asset or expenditure that enhances and not merely maintains the value of an existing fixed asset, such as land and buildings.

### **Capital Receipts**

The proceeds from the disposal of land or other fixed assets and repayment of certain grants and advances. Capital receipts can be used to finance new capital expenditure within rules set down by the Government, but they cannot be used to finance revenue expenditure.

**Code (of Practice)**

Within the context of this document, this refers to the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code) published by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Code specifies the principles and practices of accounting that must be followed to prepare a set of accounts that “presents fairly” the financial position of a Council.

**Collection Fund**

A separate account, required by statute, to show the transactions of a billing authority in relation to Council Tax and Non-Domestic Rates (NDR).

**Community Assets**

Assets that the Council intends to hold in perpetuity, that have no determinable useful lives, and that may have restrictions on their disposal. Examples of community assets are parks and historic buildings.

**Contingency**

A condition which exists at the balance sheet date, where the outcome will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

**Creditors**

Amounts owed by the Council to others for work done, goods received, or services rendered by suppliers for which payment has not been made at the balance sheet date.

**Current Assets**

Assets whose value tends to vary on a day-to-day basis, e.g., physical stockholdings, cash and bank balances. It is reasonable to expect that assets under this head on a balance sheet will be consumed or realised during the next accounting period.

**Current Liabilities**

Amounts which will become payable or could be called in within the next accounting period, e.g., creditors.

**Debtors**

Amounts due to the Council from others for goods and services that have been received but not paid for at the balance sheet date.

**Deferred Liabilities**

These are items shown on the balance sheet that reflect amounts owed to others, where the sums are payable over future financial years.

**Deferred Premium**

This is an amount due to be paid by an authority on the early redemption of debt where losses have been made. It can arise as part of a restructuring package and can be written off to revenue over the life of the replacement loans.

## **Depreciation**

This is a charge made to the revenue account each year that reflects the reduction in value of fixed assets due to age or deterioration through usage.

## **Earmarked Reserves**

Amounts put aside to meet specific liabilities in the future.

## **Embedded Lease**

A contractual arrangement involving the provision of services using specific underlying assets, for example refuse collection vehicles held by the contractor.

## **Financial Year**

The Council's financial year commences on 1<sup>st</sup> April and finishes on 31<sup>st</sup> March the following year.

## **Finance Lease**

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee. The Government's capital control system treats this as a credit arrangement, as if it were similar to borrowing.

## **Financial Instruments Adjustment Account**

This provides a balancing mechanism between the different rates at which gains and losses (such as premiums on the early repayment of debt) are recognised under the SORP and are required by statute to be met from the General Fund.

## **General Fund**

The statutory revenue account of the Council which summarises the cost of all services provided by the Council which are funded from the precept, government grants and other income.

## **General Reserves**

Amounts put aside, but not allocated to meet, any future spending commitments. The Council's General Reserves include a working balance of £1m to meet emergencies and contingencies, and to assist with cash flow.

## **Government Grants**

Part of the cost of the Council's services is paid for by central government from its own tax income. These grants are of two main types. Some (Specific Grants and Supplementary Grants) are for particular services such as Housing Benefits. Others are in aid of services generally such as the Rural Services Delivery Grant.

## **IFRS**

This refers to International Financial Reporting Standards, which set out the proper accounting practices with which the Council must comply when preparing its accounts.

**Impairment**

The reduction in the value of a fixed asset caused by a change in circumstances such as a decline in market value, physical damage, obsolescence etc. The impairment must be written off to the Comprehensive Income and Expenditure Account.

**Liquid Resources**

Current asset investments that are readily disposable by the Council without disrupting its business and are either readily converted to known amounts of cash at or close to the carrying amount or traded in an active market.

**Minimum Revenue Provision**

The minimum amount which must be charged to an authority's revenue account each year, as a provision to repay borrowing and finance leases.

**Net Book Value**

The amount at which fixed assets are included (valued) in the Balance Sheet i.e., their historical cost or their current value less the cumulative amounts provided for depreciation.

**Net Current Replacement Cost**

The cost of replacing or recreating a fixed asset in its existing condition or existing use.

**Net Debt**

The Council's borrowings less cash and liquid resources.

**Net Realisable Value**

The open market value of the asset in its existing use.

**Net Worth**

This represents the Council's reserves and balances, both capital and revenue.

**Non-Current Assets**

Items that have a monetary value and are expected to yield benefits to the Council and the services it provides for a period of more than one year. Examples of fixed assets are land, buildings and vehicles. The amounts shown in the Balance Sheet are the current valuations less depreciation.

**Non-Distributed Costs**

These are central costs that are unapportionable over service heads. For example, certain retirement benefits and unused shares of IT facilities and other assets

**Operating Lease**

A lease other than a finance lease. This type of lease, usually for office equipment, is similar to renting and does not come into the Government's capital control system. Ownership of the asset must remain with the lessor.

**Precept**

The levying of an amount by one authority that requires another authority to collect income on its behalf. The Council's Collection Fund meets the precepts from the County Council, Police Authority and Fire and Rescue Service as well as making a payment to the Council's own General Fund. Precepts raised by Town and Parish Councils are paid from the Council's General Fund.

**Provisions**

A liability of uncertain timing or amount.

**Prudential Code**

Prudential Code for Capital Accounting in Local Authorities. To ensure within a clear framework that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that the Treasury Management decisions are taken in accordance with good practice.

**Public Works Loans Board**

A central government agency, which provides loans to local authorities.

**Residual Value**

The net realisable value of an asset at the end of its useful life.

**Revenue Expenditure**

Expenditure to meet the day-to-day running costs incurred in providing services e.g., wages and salaries, purchase of materials and capital charges.

**Revenue Expenditure Funded from Capital Under Statute**

Expenditure classified as capital for funding purpose, when it does not result in the expenditure being carried on the Balance Sheet as a fixed asset. This is to enable it to be funded from capital resources rather than charged to the General Fund and impact on the Council Tax.

**Revenue Support Grant and Rural Services Delivery Grant**

A general government grant paid to the Council as a contribution towards the cost of its services.

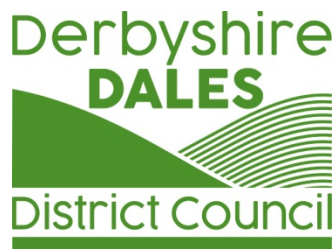
**Section 106**

A Section 106 is a legal agreement between an applicant seeking planning permission and the local planning authority, which is used to mitigate the impact of the new home on the local community and infrastructure.

## INVITATION FOR FEEDBACK

In preparing the Statement of Accounts the District Council has attempted to present details of its finances in a way, which is accurate, in accordance with appropriate Codes of Practice, meets statutory obligations, and is reasonably easy to understand. However, efforts are continuing to improve the presentation of financial information, so if you have any views, comments, questions or suggestions for improvement, please write to:

**DIRECTOR OF RESOURCES  
DERBYSHIRE DALES DISTRICT COUNCIL  
TOWN HALL  
MATLOCK  
DERBYSHIRE  
DE4 3NN  
or email [S151@derbyshiredales.gov.uk](mailto:S151@derbyshiredales.gov.uk)**



Written and published by Derbyshire Dales District Council





# Agenda Item 11

OPEN REPORT  
GOVERNANCE AND RESOURCES COMMITTEE

---

Governance and Resources Committee – 15 February 2024

## DERBYSHIRE DALES CORPORATE PLAN: WORKING GROUPS

Report of the Director of Corporate and Customer Services (Monitoring Officer)

### Report Author and Contact Details

Helen Mitchell, Director of Corporate and Customer Services (Monitoring Officer)  
01629 761 281 or [helen.mitchell@derbyshiredales.gov.uk](mailto:helen.mitchell@derbyshiredales.gov.uk)

### Wards Affected

All Wards

### Report Summary

The report updates Members on progress made by Corporate Plan Working Group, established by Council on 14 December 2023, which is under the remit of this committee.

### Recommendations

1. That the report is considered and the areas of focus for the corporate plan be endorsed.

### List of Appendices

Appendix 1 Corporate Plan Working Group Terms of Reference

### Background Papers

- Council 14 December 2023: Derbyshire Dales Plan 2024-28
- Governance and Resources Committee, 14 September 2023: Development of the Derbyshire Dales Plan 2024-28

### Consideration of report by Council or other committee

No

### Council Approval Required

No

### Exempt from Press or Public

No

## DERBYSHIRE DALES CORPORATE PLAN: WORKING GROUPS

### 1. Background

- 1.1 The Council, at its meeting on 14 December 2023, approved new Aims, Themes and Principles as the basis of the Derbyshire Dales Plan (corporate plan).
- 1.2 Council also established cross-party working groups. Five groups were established, one for each Theme of the Derbyshire Dales Plan, each tasked to:
  - i. **Review and agree the Priorities and Outcomes** for its Theme.
  - ii. **Agree a Delivery Plan** for its Theme, taking account of staff and financial resources – initially for the 2024/25 financial year, but taking account of future years to enable programming/prioritisation.
- 1.3 It is expected that Delivery Plans will be published alongside the 2024/25 Budget at the Council meeting on 29 February.
- 1.4 The work by Circling Squares had identified that the current corporate plan includes too many targets, projects and actions. The current plan has 25 targets/indicators in total. In order to match ambition to resources, a challenge for working groups is to manage expectations with regard to prioritisation and resourcing.
- 1.5 The groups are task and finish groups, meeting first in January and completing their initial task in February. They each comprise one Member from each of the four political groups. The Chair of each working group was selected by its members at its first meeting. Each working group has officer support. Each working group is responsible to a 'parent' policy committee, as follows:
  - *Community and Environment Committee*
    1. Environment
    2. Housing
    3. Place shaping and Economy
    4. Community services and resources
  - *Governance and Resources Committee*
    5. Financially sound, fair and responsive Council (corporate)
- 1.6 This report provides an update on the financially sound, fair and responsive Council group.

### 2. Corporate Plan Working Group Update

- 2.1 The membership of the working group is as follows. At each meeting, the Terms of Reference attached at Appendix 1 were agreed.

<b>Financially sound, fair and responsible</b>
Cllr S Flitter
Cllr Ripton, Cllr Slack (observer)
Cllr Buttle
Cllr Edwards – Walker
Lead Director: <ul style="list-style-type: none"> <li>Paul Wilson, Karen Henriksen, Helen Mitchell, Steve Capes</li> </ul>

2.2 The working group’s remit covers an extensive portfolio of services, traditionally but unhelpfully titled ‘back office’, spanning HR, democratic services, communications and marketing, legal, policy, finance and many others.

2.3 Following extensive discussions on current scope, performance and prioritisation, it was suggested to focus additional efforts in the following areas for the 2024/5 municipal year. Actions for future years will be developed in Q3/Q4 in the preceding year.

1. **Thriving Local Democracy** – to strengthen the participation of residents and businesses to greater influence the work of the District Council

Deliverable 1: To review the role and function of Area Forums;

Deliverable 2: To review and implement changes to the Council’s petitions scheme;

Deliverable 3: To complete a series of scrutiny reviews into issues that matter to the public;

Deliverable 4: To deliver the Customer Access Strategy;

Deliverable 5: To strengthen arrangements to engage and involve Parish and Town Councils across the District.

2. **Future Workforce, Future Workplace**– to improve the competitiveness of Derbyshire Dales as a place to work by enhancing the working environment for staff.

Deliverable 1: To review existing terms and conditions to ensure competitiveness and ensure Derbyshire Dales remains a great place to work;

Deliverable 2: To continue engagement with One Public Estate in respect of the reconfiguration of Matlock Town Hall.

3. **Sound Financial Management** - to manage the financial affairs of the District Council responsibly and sustainably.

Deliverable 1 - To identify measures required to enable a balanced budget to be set for the financial year 2025/26.

### 3. Options Considered and Recommended Proposal

3.1 It is recommended the two areas of focus ‘thriving local democracy’ and ‘future workforce, future workplace’ be adopted within the Derbyshire Dales Corporate Plan.

3.2 There were considerable opportunities available in which to prioritise other areas of Council business but the working group arrived at a consensus on the two items contained within this report.

#### **4. Consultation**

4.1 The working groups meet at the end of an extensive consultation process involving residents, partners, staff and Members. The deliverables within the delivery plan have involved engagement with relevant officers and teams.

#### **5. Timetable for Implementation**

5.1 It is envisaged that the new Derbyshire Dales Corporate Plan will form the basis of budgeting and service planning, with budgets for 2024/25 and an updated Medium-Term Financial Plan being approved at Council on 29 February 2024. The new Derbyshire Dales Plan would come into force from April 2024. It will replace the current Corporate Plan which runs to March 2024.

#### **6. Policy Implications**

6.1 The new Derbyshire Dales Corporate Plan will set the overall direction for the delivery of Council services and policies. This may result in different service areas adopting new and revised policies, depending upon the extent of changes envisaged in the Plan.

#### **7. Financial and Resource Implications**

7.1 The development of a new Derbyshire Dales Plan will require an appropriate level of budgetary provision to deliver the projects and proposals included therein. This may necessitate some prioritisation and redeployment of existing budgets and staff.

7.2 In this regard, the crucial task for Members is to select from the multitude of possible activities and projects (all of which fit within priorities) and agree a focused programme that is deliverable within available financial and staff resources. Such an approach allows for the development of a realistic and deliverable plan.

7.3 The working groups are expected to each develop a delivery plan for the 2024/25 financial year initially. This is likely to result in resources being re-aligned with the new Aims. This re-alignment will be reflected in the draft

budget and Medium-Term Financial Plan that are due to be approved by Council on 29 February 2024.

7.4 The financial risk of this report's recommendations is assessed as low.

## **8. Legal Advice and Implications**

8.1 This report refers to the Derbyshire Dales Corporate Plan which as stated is the District Council's primary policy document and a statutory requirement under the Local Government Act 2000. The legal risk of challenge associated with taking the decisions as recommended has been assessed as low.

## **9. Equalities Implications**

9.1 As the Derbyshire Dales Plan will impact all Council services, an Equality Impact Assessment (EIA) will be carried out of delivery plans prior to the February Council meeting to ensure the Council meets its statutory duties on equalities. The EIA will also highlight and, if needed, suggest mitigation for potential positive and/or negative implications.

## **10. Climate Change and Biodiversity Implications**

10.1 None identified within this report.

## **11. Risk Management**

11.1 Risks associated with this report relate to the probability and impact of non-delivery. Resources will be planned in such a way as to provide for the best possible opportunities to deliver. The probability of non-delivery is classed as low-medium and the impact of non-delivery is low-medium.

### **Report Authorisation**

Approvals obtained from Statutory Officers:

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	01/02/2024
Director of Resources/ S.151 Officer	Karen Henriksen	06/02/2024
Legal Services Manager	Kerry France	05-02-2024

## **APPENDIX 1            CORPORATE PLAN WORKING GROUP TERMS OF REFERENCE**

### Role and Function

1. To arrive at a delivery plan for each theme of the corporate plan;
2. To consider the merits and/or disadvantages to continuing the group's work in respect of overseeing delivery.
3. To share the Group's work, formally, with the parent Policy Committee.

The group will have no decision-making powers but will provide progress updates to the parent policy committee for endorsement.

### Composition and Membership

Each group will have 4 Members (one from each political group/grouping on the Council). Each group will be supported by at least one Director.

The Chair of the Group will be appointed from amongst the elected Members nominated to sit on the Group by the Group Leaders. The Chair cannot be a substitute Member.

Meetings will be supported by the directorate and any other officer as required.

Group Leaders are invited to attend in an observing capacity only and can contribute on discretion of the Chair.

### Roles and Responsibilities

- Members must come to meetings of the group prepared, considering material shared in advance to allow for a productive use of Member and officer time.
- Members must work together to attempt to arrive at a consensus view of how to best plan the delivery of the corporate plan ensuring that key milestones and work to do is legally allowable, financially possible and is in firm alignment with the principles agreed to at Council in December 2023.
- Members of the working groups are responsible for keeping their political groups abreast of the work of the group, feeding in ideas or concerns for discussion and resolution at the meeting.
- Members and Officers jointly own and take responsibility for the outcomes of the Group.  
Members consider advice provided by officers which could be at variance with their own views.
- Officers must prepare and issue materials a min. of 3 working days in advance that are digestible and relevant to discussions.
- Officers must ensure that action notes are issued within 3 working days of the meeting to enable Members to share work and feed back to their appointing groups.
- Officers must work with Members to ensure that delivery plans are both achievable, stretching and in alignment with the Corporate Plan.

- Officers consider the ambitions of Members and work to find different solutions to typical issues, problems and policy even if they are a departure from existing delivery arrangements/approaches.

This page is intentionally left blank



# Agenda Item 12



**OPEN REPORT**

**Governance and Resources Committee**

---

**Governance and Resources Committee – 16 February 2024**

## **COMPLAINT AGAINST THE DISTRICT COUNCIL, LESSONS LEARNED AND MOVING FORWARD**

**Report of Helen Mitchell, Director of Corporate and Customer Services (Monitoring Officer)**

### **Report Author and Contact Details**

Helen Mitchell, Director of Corporate and Customer Services (Monitoring Officer)  
01629 761 281 / [Helen.mitchell@derbyshiredales.gov.uk](mailto:Helen.mitchell@derbyshiredales.gov.uk)

### **Wards Affected**

All

### **Report Summary**

This report details the summary findings and wider organisational learnings following a complaint submitted to the Council in September 2023 which was shared with all 34 Members of the District Council. Following rigorous independent investigation, none of the ten allegations were fully upheld.

There are, however, a series of relevant and timely learnings for the Council based on the four allegations that were partially upheld, wider findings by the investigating officers and overall context of decision making at the District Council.

### **Recommendations**

1. That this report and the action plan be agreed;
2. That the Committee agrees to explore a review of its governance arrangements with an external partner and report back to Committee at its next meeting.

### **List of Appendices**

Appendix 1 – Redacted Version of the Investigation Report.

### **Background Papers**

None

### **Council Approval Required**

Yes or No

### **Exempt from Press or Public**

No

## 1. Background

- 1.1 In September 2023, a comprehensive complaint was submitted to the Council which made allegations in respect of the manner in which consideration of a potential permanent traveller site was dealt with by the then political leadership and senior management. It also made broader allegations in respect of the Council's overall governance.
- 1.2 It was and is highly unusual to receive a complaint of this nature and particularly one which is shared with all Members of the Council. Typically, complaints are referred to the Governance and Resources Committee as part of an Annual Report but on this occasion, it has been brought to the attention of the Committee given its significance.
- 1.3 The Council has a Corporate Complaints Procedure and used this to guide the investigation of the complaint. It was assessed by the Council's Democratic and Electoral Services Manager as a Stage 2 complaint and given the matters alleged and individuals involved it was agreed to commission an external partner, East Midlands Councils, to undertake a fact-finding investigation.
- 1.4 The investigation led to the creation of a detailed report. The areas of the report that directly related to the allegations made and how the Council would learn were shared with the complainants (as is customary). A redacted version of the report is enclosed at **Appendix 1**. It has been redacted in accordance with the Council's approach to sound information management, regard for legislation governing personal data and tests to public interest.

## Key Issues

- 1.5 The investigation concluded that none of the ten allegations were fully upheld. Of those ten, four were partially upheld and six not upheld. Those four which were partially upheld were: -
- Lack of transparency and good governance
  - Prior knowledge of convictions and of involvement in organised crime
  - Lack of enforcement of planning permission breaches
  - Missing paperwork and lack of transparency

Those which were not upheld were: -

- Inadequate due diligence and gross professional negligence
- Continued commercial engagement with a known criminal
- Financial concerns and significant conflicts of interest
- Lack of safeguarding assessments.
- Unfair rejection by the Council of an alternative site
- Lying by senior officers of the Council

- 1.6 The investigators were clear that there are several areas where the Council's conduct fell short of what the public should expect of their local authority across areas of governance, conduct of officers and record keeping. It also made reference to wider organisational learnings and additional matters such as encouraging the Council to meet the needs of Travellers, to consider the current Council delegation on matters relating to Travellers, adopting a professional approach to email correspondence and strengthening engagement on a face to face basis with the MP for the Derbyshire Dales, Hon. Sarah Dines.
- 1.7 Put together, it is incumbent on the district council to learn, and to learn publicly, to ensure as far as is reasonable, that it is set on improving itself following this complaint. An action plan is attached to this report which sets out changes that can be made to deliver on the findings identified. It is shared with Members for their critical review.
- 1.8 That said, it could be argued that the key findings are symptoms to wider governance issues around roles and responsibilities of Members and officers, political leadership in a committee system and a need to get the basics right even when working in a financially stretched public organisation.
- 1.9 The governance of an organisation should be purposefully designed to enable it to deliver on its objectives and in a way that gathers confidence. This is especially important in a democratic environment. To that end, there is an opportunity in which to reflect on the Council's arrangements – its behaviours, its processes and its structures to ensure it is match fit for the future.
- 1.10 Members may be aware that the Council is fifty years old this year and has operated, in a structural sense, the Committee System for that time when the majority of Councils have adopted other arrangements. This is not to say that this Council needs to move away from the Committee System but it is time to reflect on whether it is structured and operates in a way that suits the needs of District Council now and in future.
- 1.11 Ultimately, there is clear value in having a broad and open governance conversation and debate amongst Members and officers. The Council's governance form needs to be designed to achieve its functions and there is an opportunity to do that using the response to this complaint as a springboard. This could be undertaken in one of two ways, internally or externally.
- 1.12 Internally in the form of the Director of Corporate and Customer Services (MO) and her staff or via the Local Government Association or one of its partners.
- 1.13 It should be noted that the report author is a former employee and associate consultant of the Centre for Governance and Scrutiny, a partner of the Local Government Association, and as such, will create the requisite distance needed to avoid any perceived or real conflicts of interest if a future decision is taken to undertake such work identified in this report.

- 1.14 Any decisions to be made by the Committee at a future date to appoint an organisation to undertake this work will be done so in the name of the Council's Democratic and Electoral Services Manager.

## **2. Options Considered and Recommended Proposal**

- 2.1 That Committee agrees to explore an external review of the Council's governance arrangements. This is to provide the necessary capacity, capability and independence to the review and its findings. The review could be undertaken internally but it has been assessed that this would take capacity away from the core corporate functions of the Council and its staff. This is especially challenging in a year with several planned and anticipated elections. It may also create the conditions in which Members and officers do not feel able to freely contribute to the review.
- 2.2 To that end, it is the most effective and efficient option is to explore an external review.

## **3. Consultation**

- 3.1 The Council's Democratic and Electoral Services Manager has been consulted as well as the Councils Corporate Leadership Team and the Chair and Vice Chair of the Governance and Resources Committee.

## **4. Timetable for Implementation**

- 4.1 A timetable is unclear at this stage as it is dependent on discussions with the LGA but it is hoped that work could start in Spring 2024.

## **5. Policy Implications**

- 6.1 None arising from this report.

## **6. Financial and Resource Implications**

- 7.1 None immediately arising from this report as funding could be sourced from the Local Government Association to undertake the necessary work.

## **7. Legal Advice and Implications**

- 7.1 None arising from this report.

## **8. Equalities Implications**

- 8.1 None arising from this report.

## **9. Climate Change and Biodiversity Implications**

- 9.1 None arising from this report.

## 10. Risk Management

- 10.1 There is a risk that if the Council does not learn from the complaint that it will not improve its overall governance arrangements. The likelihood that it will not learn from this complaint is medium and the impact of not learning is high.
- 10.2 The reason for this assessment is that the council's governance arrangements are rooted in human interaction and the historic processes and norms that exist within an organisation. It is accepted that changing human behaviour is notoriously challenging.

### Report Authorisation

Approvals obtained from Statutory Officers:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	01/02/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	02/02/2024
Legal Services Manager	Kerry France	05/02/2024

## Action Plan – Learning Lessons from Complaint Against the District Council

Themed Conclusion In Investigation Report	Action	Owner	Timescale	Progress
<p><b>Lack of transparency and good governance</b></p> <p>Members must be making decisions in meetings held in public in formal meetings.</p> <p>Reconsider current scheme of delegation for decisions on permanent or temporary traveller sites.</p>	<p>Clarify the difference between briefings (the giving of information) and decision making (consideration of relevant material to support decision making which commits the authority to a course of action).</p> <p>Undertake an options appraisal on moving the delegation in consultation with the Traveller Working Group.</p>	Monitoring Officer (MO)	End June 2024	
<p><b>Conduct of Officers</b></p> <p>Ensure highest standards of judgement in the Council's most senior officers.</p> <p>Pressure placed on officers by the Council's political leadership.</p>	<p>Ensure values and judgement are tested throughout the recruitment and retention cycle of senior officers.</p> <p>Roles and responsibilities and behaviour expectations of officers and Members are reset.</p> <p>Establishment of Statutory Officers Group and engage with the Chair and Vice Chair of G&amp;R Committee on issues relating to Member/Officer</p>	Leader, Chief Executive and Directors	End of June 2024	

<p><b>Record Keeping</b></p> <p>Written records must be made and kept.</p>	<p>relations.</p> <p>Clarify professional minute taking support of Democratic Services to decision making and other vital related meetings of the Council.</p> <p>Create standards of note taking that involve third parties.</p> <p>Ensure Directors and their Departmental Management Teams are retaining file notes to provide an account of progress on key matters of Council business. This is especially the case for work which deals with third parties.</p>	<p>Corporate Leadership Team (CLT) and Senior Management Team (SMT)</p>	<p>End June 2024</p>	
<p><b>Communication in Respect of Planning Contravention Notices</b></p>	<p>Clarify procedures in legislation and in practice and compare against internal practice.</p>	<p>Director of Regulatory Services / Director of Place and Economy</p>	<p>End April 2024</p>	
<p><b>Organisational Learning / Additional Matters</b></p> <p>Professional email correspondence</p> <p>Awareness of Freedom of Information</p>	<p>Training session on FOI be widely distributed.</p> <p>Presentation on FOI to be shared with Senior Management Team for cascade to staff.</p> <p>Incorporation of the need to communicate professionally in emails as part of induction and management actions.</p>	<p>All staff</p>	<p>End June 2024</p>	

<b>Relationship with Sarah Dines, MP and reinstatement of face to face dialogue</b>	Strengthen face to face dialogue.	MO		
---	-----------------------------------	----	--	--





**PERSONAL & CONFIDENTIAL**

**REPORT OF THE INDEPENDENT INVESTIGATION INTO COMPLAINT MADE TO  
DERBYSHIRE DALES DISTRICT COUNCIL BY [REDACTED]  
[REDACTED], AS SUBMITTED ON 27<sup>TH</sup> SEPTEMBER 2023**

**19<sup>th</sup> December 2023**

## 1. INTRODUCTION

- 1.1 East Midlands Councils is a regional organisation representing local government within the East Midlands and is also a designated Regional Employers' Organisation for local government under Section 123 of the Trade Union and Labour Relations (Consolidation) Act 1992.
- 1.2 Derbyshire Dales District Council received a complaint made by [REDACTED] [REDACTED] ('the complainants') and the [REDACTED] on the 27<sup>th</sup> September 2023. Given the scale of the complaint and roles of those cited, the Deputy Monitoring Officer referred the matter to East Midlands Councils on the 17<sup>th</sup> October 2023 to conduct an independent, fact-finding investigation under the Council's Complaints Procedure<sup>1</sup>.
- 1.3 The purpose of this report is to outline the findings of the independent investigation.
- 1.4 The investigation was undertaken under Stage 2 of the Council's Complaints Procedure. Stage 3 would escalate the complaint to the Council's Chief Executive. However, given that the Chief Executive himself is cited in the complaint, Stage 3 is obsolete in this instance. As a result, if the complainants are unhappy with the outcome of this Stage 2 investigation, then the route of escalation would be to refer the matter to the Local Government Ombudsman.
- 1.5 Details of how to refer a complaint to the Local Government Ombudsman can be found at: [Home - Local Government and Social Care Ombudsman](#)

---

<sup>1</sup> The DDDC Complaints Procedure is available at: [Complaints procedure - Derbyshire Dales District Council](#)

**2. ABOUT THE INVESTIGATING TEAM**

2.1 The investigation was undertaken by two senior officers of East Midlands Councils:

[REDACTED]

[REDACTED]

2.2 [REDACTED] has a professional background in land and planning. [REDACTED] is a HR professional. We have both worked in local government for 30 years with experience of number of different types of local authority.

2.3 Neither of us had any prior knowledge of the issues covered by the complaint and we have at all times acted independently of the Council, the complainants and the local MP in this matter. The conclusions set out in this report represent our best professional judgement based on the available evidence.

### 3. ABOUT THE COMPLAINT

3.1 The complaint centres on the Council's consideration of a potential permanent travellers site located on land off [REDACTED], near Wirksworth in Derbyshire.

3.2 Although the Council decided **not** to proceed with the proposal, the complainants make a series of allegations about the way in which the matter was dealt with by the then political leadership and by senior management.

3.3 In summary, the complainants allege that the Council's political leadership and senior management conducted a long-term secret negotiation with a known criminal, [REDACTED], in order to establish a permanent Travellers site at [REDACTED] and which was on the point of being concluded when news of the deal broke publicly in January 2023. In particular, the complainants allege the following:

- 1) Lack of transparency and good governance
- 2) Inadequate due diligence and gross professional negligence
- 3) Continued commercial engagement with a known criminal
- 4) Prior knowledge of convictions and of involvement in organised crime
- 5) Financial concerns and significant conflicts of interest
- 6) Lack of safeguarding assessments
- 7) Lack of enforcement of planning permission breaches
- 8) Unfair rejection by the Council of an alternative site
- 9) Missing paperwork and lack of transparency
- 10) Lying by senior officers of the Council

3.3 The key individuals cited at various points in the complaint are:

- Mr Paul Wilson, Chief Executive.
- Mr Tim Braund, Director of Regulatory Services.
- Mr Rob Cogings, Director of Housing.
- [REDACTED] Estates & Facilities Manager.
- [REDACTED] formerly Director of Corporate & Customer Services and Monitoring Officer (no longer employed by the Council).
- [REDACTED] Leader of Council prior to May 2023 (now no longer a councillor)
- Cllr Sue Hobson, Deputy Leader of the Council prior to May 2023 and now Leader of the Opposition.

3.4 In addition, the complaint makes reference to actions by:

- [REDACTED] Head of Development Management
- [REDACTED]

3.5 The complaint was submitted to the Council's Deputy Monitoring Officer in a document dated 27<sup>th</sup> September 2023 which was also copied to all 34 serving Councillors at Derbyshire Dales District Council and to the local Member of Parliament, Sarah Dines MP (Derbyshire Dales).

3.6 It is a detailed 33-page submission supported by three appendices:



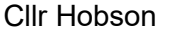


**Appendix 1:** A safeguarding letter from an (unnamed) 'safeguarding specialist'.

**Appendix 2:** Nine documents detailing correspondence between Sarah Dines MP and the Council which took place between the 3<sup>rd</sup> February 2023 and the 19<sup>th</sup> September 2023.

**Appendix 3:** 96 documents specifically referenced in the complaint, many of which have been secured through Freedom of Information (FoI) requests made by Sarah Dines MP.

3.7 Further detail on the specific allegations against each individual is set out under Section 6 of this report.

#### 4. INVESTIGATION METHODOLOGY

- 4.1 We reviewed all of the documents submitted by the complainants along with Derbyshire Dales District Council's Complaints Procedure.
- 4.2 Based on the complaint and supporting documentation, we developed a 'matrix' mapping the detail of the allegations against each named individual. We then used this to determine which extracts of the complaint should be made available to whom; and to develop a series of questions for each of the investigation interviews.
- 4.3 To maintain the integrity of the investigation, we made it clear that all the information provided to individuals about the allegations made against them should be treated as confidential and not discussed with anyone else. Because as Chief Executive Mr Wilson is implicated throughout the complaint, and in view of his statutory role as Head of Paid Service, he received a copy of the whole complaint document.
- 4.4 We used the interviews to try and gain a clear understanding of who did what, why and when including, where necessary, by asking the same question to a number of individuals in order to compare responses and to corroborate information.
- 4.5 Investigation interviews were held as follows:
- |   |  |             |
|---|--|-------------|
| Mr Wilson   | 10 <sup>th</sup> November 2023                     | (2 hours)   |
| Mr Braund   | 10 <sup>th</sup> November 2023                     | (1.5 hours) |
| Mr Cogings  | 10 <sup>th</sup> November 2023                     | (1.5 hours) |
|  | 15 <sup>th</sup> November 2023                     | (1 hour)    |
|  | 15 <sup>th</sup> November 2023                     | (1 hour)    |
|  | 15 <sup>th</sup> November 2023                     | (1 hour)    |
| Cllr Hobson   | 15 <sup>th</sup> November 2023                     | (1 hour)    |
|  | 16 <sup>th</sup> November 2023 via Microsoft Teams | (1 hour)    |
- 4.6 With the exception of , all these interviews took place in Room 4.11 at the Council's Town Hall offices in Matlock.
- 4.7 Following each interview we drafted a note setting out a record of the discussion, final versions of which were checked by each interviewee to ensure they represented a 'reasonable record'.
- 4.8 In the course of the interviews we requested various additional documents, a number of which are included or referenced in this report. We also received a written submission by the Chief Executive in response to the complaint which we have considered, and in places drawn upon, in finalising this report.
- 4.9 We are pleased to record that we able to meet with all those from whom we requested interviews.

- 4.10 We also met with the complainants [REDACTED] on the 17<sup>th</sup> November 2023 at their home at [REDACTED] to explain the investigation process and to ensure we fully understood their concerns.
- 4.11 We would have liked to have undertaken this meeting earlier in the process but this date was the earliest offered by the complainants. Given that the complaint had originally been submitted to the Council on the 27<sup>th</sup> September 2023, makes serious allegations about the Council and its officers and has also been copied (by the complainants) to all 34 Derbyshire Dales District Councillors and to the local MP, we felt it was more important to expedite the investigation than to delay it.
- 4.12 In the event, we found the meeting with the complainants very useful, and we believe it has helped us to focus this report on the issues of greatest concern to them.
- 4.13 Subsequent to the meeting the complainants submitted a document setting out a chronology of events from their perspective based on information contained in their original complaint. We have also considered this document in drafting our report.

## 5. BACKGROUND TO THE COMPLAINT

5.1 Before addressing the detail of the complaint, we feel it would be helpful to describe briefly the Council's governance and decision-making arrangements and to provide some background on the issue of identifying sites to accommodate Gypsies and Travellers in Derbyshire Dales.

### **Derbyshire Dales District Council**

5.2 Derbyshire Dales is located in a 'two-tier' local authority area, meaning that core local government functions are split between the District Council and Derbyshire County Council. For instance, the County Council is the Local Transport Authority and has responsibility for providing Adult Social Services and Childrens Services. The District Council is the Local Housing Authority and the Local Planning Authority for most development (in those areas outside the Peak District National Park). As a result, those with complex needs will often need to draw on services provided by both councils as well as by the NHS.

5.3 Unlike many councils, Derbyshire Dales has not moved to a 'cabinet style' of local governance. This is where the Full Council elects a leader who in turn appoints and chairs a small cabinet of councillors, each with a specific area of responsibility such as housing or finance. The cabinet meets regularly to make Council decisions. There are some regulatory and quasi-judicial functions over which the cabinet does not have responsibility, such as determining planning applications and making decisions on licensing. These are delegated to separate planning and regulatory committees.

5.4 By contrast, Derbyshire Dales maintains a traditional 'committee system' whereby the Full Council establishes a number of committees each with a specific area of responsibility. The political groups on the council appoint members to those committees and decisions are taken by vote. As a result, council decisions to buy or lease land or to invest in property can only be made by councillors voting in meetings of the Full Council and/or its committees, not by individual councillors and certainly not by officers.

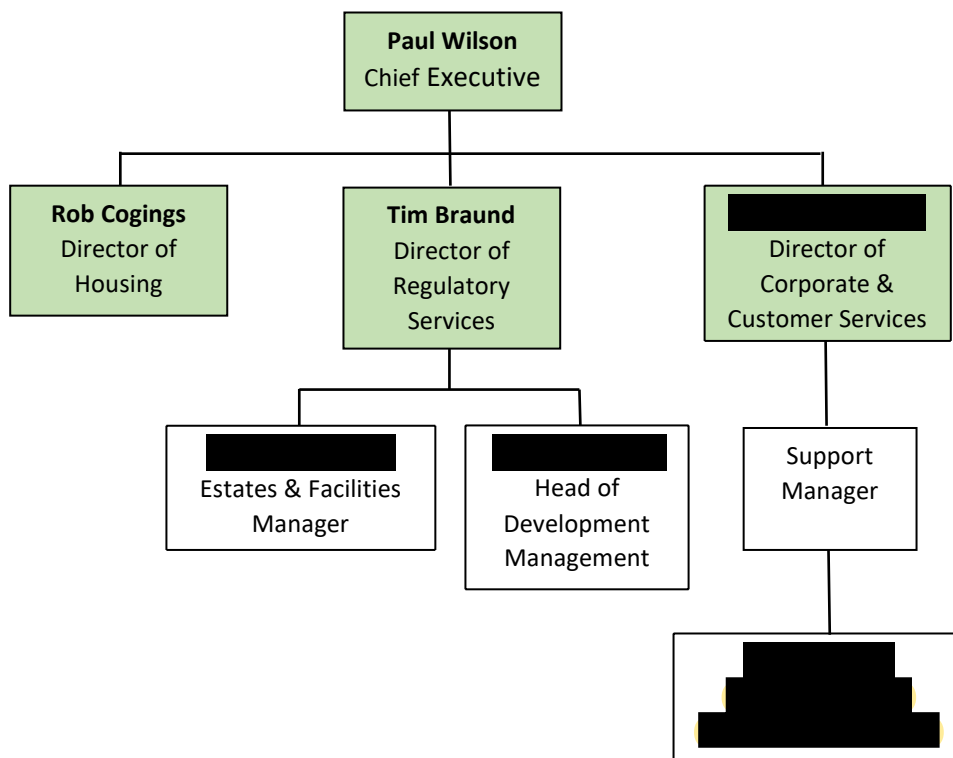
5.5 At the time at which the main events described in the complaint take place Derbyshire Dales District Council comprised 39 councillors<sup>2</sup>. The Conservatives were the largest group, but with a working majority of only one.

5.6 In terms of the Council's officers, the key individuals highlighted in the complaint and the line management relationships between them at the time are illustrated below. The posts highlighted in green sit on the Council's Corporate Leadership Team (CLT). Please note that the diagram represents only an extract of the Council's staffing structure for the purposes of this report. Further details on the CLT can be found on the Council's web-site at: [Corporate leadership team - Derbyshire Dales District Council](#).

---

<sup>2</sup> The Council was subject to a Boundary Review which resulted in the number of councillors reducing from 39 to 34 from May 2023.





### **Accommodating Gypsies and Travellers in Derbyshire Dales**

- 5.7 There are two Traveller families with a connection to Derbyshire Dales, who are both well known locally. However, there are no designated temporary or permanent Traveller pitches anywhere within the District. The practice has been to tolerate the families on one or more of a number of sites in the Council's ownership (mostly car parks) for a period of time, and then to move them on in response to local pressure. We understand that this has happened over 80 times. Both families are classed as homeless under the Housing Act 1996.
- 5.8 The decision as to when and where to move the families on was for many years made by officers, with lead responsibility falling to Mr Braund given his professional background in Environmental Health. However, in July 2021 the Council passed a resolution which effectively removed delegated authority for officers to manage the specific Traveller families to whom the Council has a statutory homelessness duty. Since that time, all such matters have been reported to Full Council. In our experience, this is a highly unusual situation.
- 5.9 National policy on accommodating gypsies and travellers is set out in 'Planning Policy for Travellers' published by Government in 2015<sup>3</sup>. In summary, it states that Local Planning Authorities should undertake an assessment to understand the level of need for both permanent and temporary pitches, and then allocate sites through the Local Plan process to meet this need in the same way as for any other form of housing.

<sup>3</sup> Planning Policy for Travellers is available at [Title \(publishing.service.gov.uk\)](https://www.gov.uk/government/publications/planning-policy-for-travellers)

- 5.10 This was the process followed by the Council for the Local Plan adopted in 2017. An assessment of need was undertaken and a site in the ownership of Derbyshire County Council was allocated for four Traveller pitches at Watery Lane, Ashbourne to help meet that need. The allocation was agreed by the County Council in October 2016. However, following a change of administration, the County Council formally withdrew support for the site in June 2018 and instead safeguarded the land for a potential future road improvement. Although the site was allocated in the adopted Local Plan and had planning permission (since lapsed), it became undeliverable.
- 5.11 Since then, the Council has made several attempts to secure a suitable permanent Traveller site for the families and at various times has considered land at locations including:
- Park Fuels in Clifton
  - Knabhall Lane in Tansley
  - The Woodyard in Homesford
- 5.12 We make further reference to all three of these sites later in our report.
- 5.13 The ongoing failure to deliver a permanent Travellers site means that not only is the Council in breach of national planning policy but is also failing in its statutory duty towards two homeless and vulnerable families.
- 5.14 This is the context within which the Council issued a public 'Call for Sites' on the 9<sup>th</sup> May 2022. A copy of the press release setting out details of the 'Call for Sites' is set out in Appendix 1 of this report.
- 5.15 On the 11<sup>th</sup> May 2022 an officer in the Housing Directorate took a phone call from a member of the public offering a site. A copy of the email noting details of the call is contained in Appendix 2. The individual was [REDACTED] and the site in question was on [REDACTED] near Wirksworth.
- 5.16 We are clear that the 'Call for Sites' process and subsequent preliminary site assessment work was led at an operational level by Mr Cogings as Director of Housing.
- 5.17 In doing so Mr Cogings commissioned architectural services through Nottingham Community Housing Association (NCHA), valuation advice through [REDACTED] and requested Pre-Application Planning Advice via NCHA from [REDACTED]. He also took informal advice from Mr Braund as the officer within the Council who in the course of his duties had become most familiar with the two Traveller families. We will return to these matters in more detail later in our report.

## 6. FINDINGS

- 6.1 Based on the methodology set out under Section 5 our findings are detailed below. We have broken down the complaint into the ten separate allegations made by the complainants, and addressed each one in turn, concluding with a decision based on a reasonable and genuine belief and the balance of probabilities. There is inevitably some overlap between the individual allegations, but we have tried to minimise repetition.
- 6.2 Our broader conclusions are set out in Section 7 and Section 8 sets out our views on organisational learning and other related matters.
- 6.3 For ease of reference, we have set out below a single time-line of some the key events we refer to later. This is not comprehensive list of everything relevant which took place during this period, but it does provide a common framework for the more detailed accounts set out below.

<b>9<sup>th</sup> May 2022</b>	Council issues a 'Call for Sites' for permanent Travellers pitches
<b>11<sup>th</sup> May 2022</b>	Housing officer at the Council takes a phone call from ██████████ offering land
<b>30<sup>th</sup> May 2022</b>	First Site Visit to ██████████ Mr Cogings, Mr Braund and ██████████
<b>14<sup>th</sup> June 2022</b>	Council refuses planning permission for 8 permanent Traveller pitches at the Woodyard site, in line with officer recommendation.
<b>23<sup>rd</sup> June 2022</b>	First Member Briefing Meeting: Agrees to preliminary assessment of ██████████ as site for permanent Travellers pitches.
<b>18<sup>th</sup> November 2022</b>	Pre-Application Planning Advice Site Visit: Mr Cogings, ██████████ and ██████████.
<b>26<sup>th</sup> January 2023</b>	██████████ forwards BBC article detailing ██████████ criminal history to ██████████, who then forwards to Mr Wilson.
<b>31<sup>st</sup> January 2023</b>	Final Meeting with ██████████ relating to the ██████████ proposal, at the Town Hall with Mr Cogings and ██████████.
<b>2<sup>nd</sup> February 2023</b>	Council receives notification of possible planning breach on land occupied by ██████████ at ██████████.
<b>10<sup>th</sup> February 2023</b>	Council issues letter acknowledging possible planning breach, committing to investigate and to respond by 14 <sup>th</sup> March 2023.
<b>20<sup>th</sup> February 2023</b>	Second Member Briefing Meeting: Agrees to terminate interest in using ██████████ site to accommodate Travellers.
<b>22<sup>nd</sup> February 2023</b>	Council issues a public statement confirming it had ended interest in establishing a permanent Travellers site at Hasker Farm.
<b>16<sup>th</sup> March 2023</b>	Council issues first Planning Contravention Notice relating to land occupied at ██████████ by ██████████.
<b>16<sup>th</sup> March 2023</b>	Meeting of Full Council.
<b>31<sup>st</sup> March 2023</b>	Council issues second Planning Contravention Notice relating to land occupied at ██████████ by ██████████.
<b>4<sup>th</sup> May 2023</b>	██████████ and colleague visit ██████████ on site and receive a response to the second Planning Contravention Notice.
<b>12<sup>th</sup> September 2023</b>	Council grants planning permission for 8 permanent Traveller pitches at the Woodyard site, against officer recommendation.

## **Allegation 1: Lack of transparency and good governance**

### **Summary**

- 6.4 The complainants allege that the officers maintained a 'deliberate veil of secrecy against both residents and elected councillors' about the [REDACTED] proposal, and in particular withheld information from the local ward councillor.

### **Investigation**

- 6.5 It is clear to us that Council's then political leadership was keen to restrict public information about the [REDACTED] proposal until such time as basic a viability assessment had been undertaken.
- 6.6 [REDACTED] believed that proper consideration of the Park Fuels site had been undermined by the local ward Member 'leaking' details of the proposal before it had been discussed by the Council.
- 6.7 [REDACTED] and Mr Wilson also both recounted the experience of the Knabhall Lane site which was prioritised by Full Council in September 2020 in preference to the [REDACTED] site without any site investigations having taken place. There was major public outcry against the proposal, only for the technical work commissioned by the Council to conclude that the Knabhall Lane site was undeliverable because of a lack of mains water, drainage and electricity supply.
- 6.8 As a result, [REDACTED] view was that basic investigation work should be undertaken by officers on any potential site before public any engagement takes place, including briefing the relevant Ward Member.
- 6.9 However, in relation to the [REDACTED] proposal, Mr Wilson appears to have taken a more open approach. In response to an email from [REDACTED] which was copied to all councillors on 15<sup>th</sup> June 2022 (and contained in Appendix 3), Mr Wilson confirmed that an expression of interest had been received for a site '*...off the B5035 between Middleton and Carsington.*' and that '*A precise location and details of the site will be provided as part of the workshop next week.*'
- 6.10 All Members of the Council were invited to this workshop (also described as a 'Member Briefing') which took place on the 23<sup>rd</sup> June 2022. At the briefing, a power point presentation was made by officers which included on slide 20 an OS based map delineating the [REDACTED] site. A copy of the full presentation is set out in Appendix 4. [REDACTED] made it clear to us that he was very surprised to see the map displayed on the screen in this way.
- 6.11 The recollection of [REDACTED], Cllr Hobson, Mr Wilson and [REDACTED] is that Members at the briefing gave officers the delegated authority to investigate the [REDACTED] proposal. However, this was not a formal meeting of the Council. Whilst officers believe that 25 out of 39 Members were in attendance, there was no 'signing-in' sheet and no notes of the discussion were made. The only record of the meeting is an anonymous 'clandestine' recording which has come into the possession of Mr Wilson. From our listening, this does appear to confirm that the Members present were happy to proceed as described.

- 6.12 Although no attendance record was kept, it is understood by common consent that those in the room included Cllr Murphy, who was (and is) both a District and a County Councillor and whose County Division includes [REDACTED]. Those not in attendance included the then District Ward Member [REDACTED] and [REDACTED], whose Ward abutted the site. This was unfortunate, and in our view goes some way to explaining why neither appeared to be aware the proposal some months later.
- 6.13 We asked Mr Wilson, [REDACTED] and Cllr Hobson what steps were taken to brief those 14 members who did not attend the meeting. It appears that no special arrangements were made. It was just expected that they would find out and ask questions if necessary.

**Decision: This allegation is partially upheld**

- 6.14 Whilst the Council's political leadership wanted to restrict public knowledge of the site until the preliminary assessments had been undertaken, we do not believe that there was any deliberate attempt by officers to hide the location of the site from other Members. Indeed, Mr Wilson appears to have gone out of his way to ensure that all Members were made aware of general location of the site and had the opportunity at the briefing session to view an OS based map showing the detailed location, despite the concerns of [REDACTED].
- 6.15 However, the two most affected councillors were not able to attend the briefing and no attempt to brief them separately was made, which in our view was remiss. Whilst we accept that the failure to notify [REDACTED] as Ward Member in February 2023 was a genuine mistake (and accepted as such by [REDACTED]), the situation should not have been allowed to arise.
- 6.16 More importantly, the Member Briefing at which the decision to progress with the assessment of the [REDACTED] site was made was not a formal meeting of the Council and no note of the proceedings was made. This is not an open or transparent way for Members to make decisions and has contributed to a climate of suspicion which has surrounded this whole matter. It also left officers exposed, having no evidence of a political mandate for their subsequent actions.

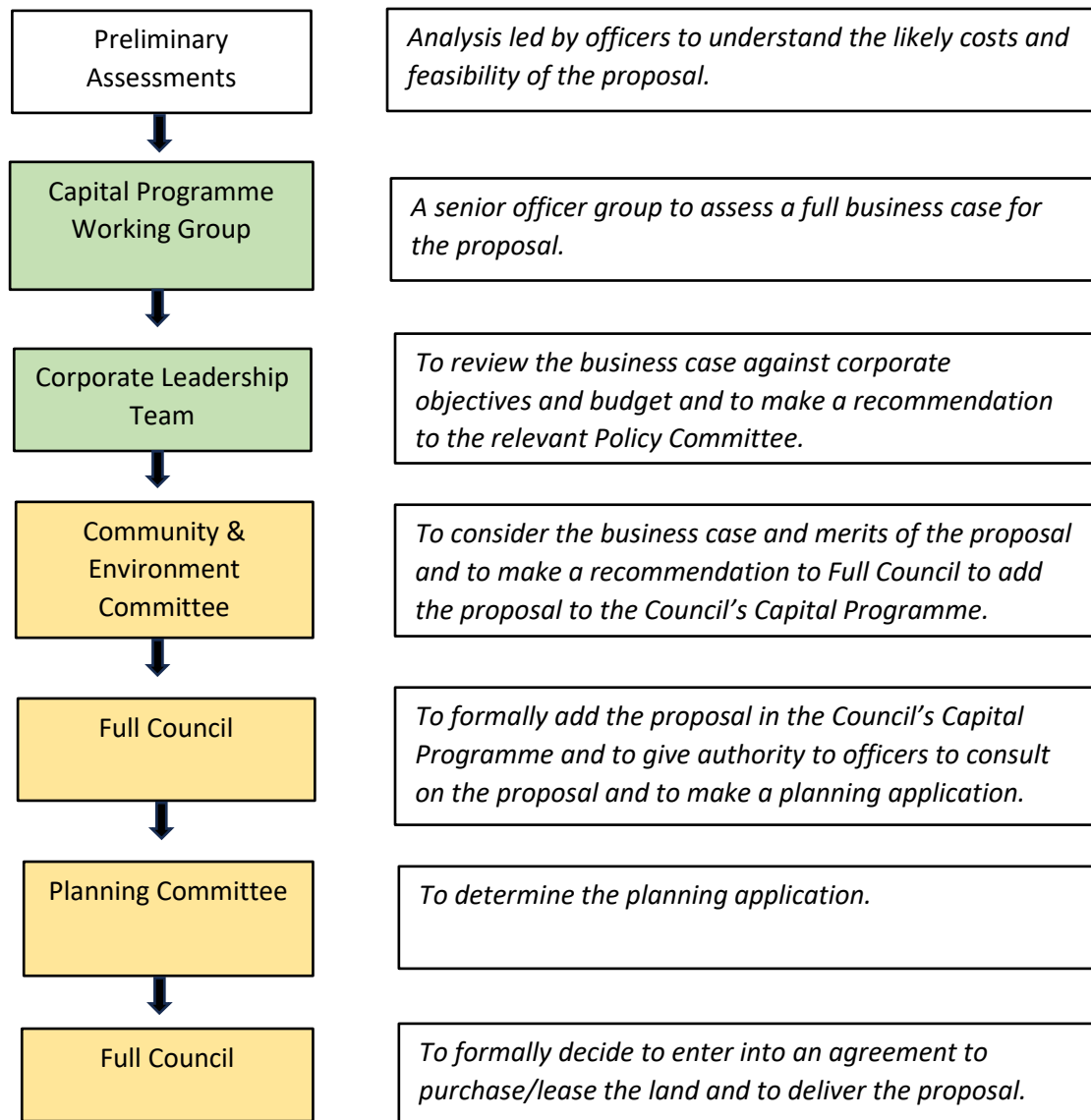
## Allegation 2: Inadequate due diligence and gross professional negligence

### Summary

- 6.17 The complainants allege that the Council entered into a commercial relationship with [REDACTED] who is subject to an active Proceeds of Crime Confiscation Order – potentially a very serious offence. Further, that the Council did not take appropriate measures to identify the true owner of the land occupied by [REDACTED] at [REDACTED].

### Investigation

- 6.18 We first of all wanted to understand the process by which the Council **would** have made a decision to deliver the [REDACTED] proposal had it gone ahead. This process is summarised below and would seem to us to represent a normal approach for a Council operating under a committee system.



- 6.19 We then wanted to be clear about how far along the process the Council had gone before the decision was made to terminate interest in the [REDACTED] proposal on the 20<sup>th</sup> February 2023.
- 6.20 We have seen no evidence that the proposal ever progressed beyond the preliminary assessments commissioned by Mr Cogings. No business case was ever considered by the Capital Working Group or by the Corporate Leadership Team, no recommendations were ever made to the Community & Environment Committee or to the Full Council, and no planning application was ever made.
- 6.21 Turning to the implications of the Proceeds of Crime Act (POCA) 2002. There is no public record of individuals with an active POCA Confiscation Order that we can check. However, it appears widely accepted that [REDACTED] is subject to such an Order, and certainly [REDACTED] and [REDACTED] believe this to be the case, although Mr Wilson was non-committal. For the purposes of this report, we feel it is safest to assume that an active Order is in place.
- 6.22 The 'Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017' define what is meant by a 'business relationship'<sup>4</sup> in these circumstances. Our understanding of the Regulations is that Council could only have entered into a 'business relationship' with [REDACTED] at the point at which Full Council decided to purchase or lease the land. As noted above, this clearly did not happen nor was even close to happening. The preliminary assessments commissioned by Mr Cogings in no way constitute a 'business relationship' as defined by the Regulations.
- 6.23 Finally, the Council has acknowledged that the land in question was not owned by [REDACTED]. The Land Registry apparently confirms ownership in the name of [REDACTED], who the Council believes to be [REDACTED]. According to Mr Cogings and [REDACTED], [REDACTED] was always clear about the true ownership of the land during their discussions, and that [REDACTED] would need to agree to any deal.
- 6.24 The complainants believe that [REDACTED] is actually a [REDACTED]. However, in our view it is not unusual for people to be commonly known by their middle name.

**Decision: This allegation is not upheld**

- 6.25 Regardless of whether or not an active Proceeds of Crime Confiscation Order is in place against [REDACTED], we are clear that Council did not enter into a business relationship with [REDACTED] under the terms of the Money Laundering Regulations - or was even close to doing so.
- 6.26 We are also of the view that the land in question is owned by [REDACTED], and that this was known and understood by the Council from the start.

---

<sup>4</sup> [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uk/2017/111/1)

### **Allegation 3: Continued commercial engagement with a known criminal.**

#### **Summary**

6.27 The complainants allege that commercial engagement with [REDACTED] continued after the Council was notified of his criminal background by [REDACTED] on the 26<sup>th</sup> of January 2023, with the aim of making a positive decision to approve the [REDACTED] proposal at the Full Council meeting of 16<sup>th</sup> March 2023.

#### **Investigation**

6.28 As our investigation of the earlier allegation demonstrates, there is no evidence that the Council was ever engaged in a commercial or business relationship with [REDACTED], or that the Council was even close to being able to make a decision to purchase or lease land to deliver the [REDACTED] proposal.

6.29 However, it is clear that there was an intention to take a general update report on [REDACTED] to the 16<sup>th</sup> March 2023 meeting of Full Council, and [REDACTED] as Leader was very keen that this should be the case. We believe this is the context for the comments made by [REDACTED] highlighted by the complainants.

6.30 Leaving aside the revelations of [REDACTED] criminal past, the only technical basis for this report would have been the conclusions of the preliminary assessments commissioned by Mr Cogings (which are described in more detail later in our report).

6.31 As such, the Full Council could have either terminated interest in [REDACTED] at that point or endorsed further work to enable the Council to make a substantive decision at a later date, but it could **not** have approved the purchase or lease of land to deliver the proposal. As it was, following the Member Briefing of the 20<sup>th</sup> February 2023, no report was subsequently taken to Full Council.

6.32 Nevertheless, we were keen to understand what measures the Council did take in the wake of [REDACTED] email of the 26<sup>th</sup> January 2023. We understand the original email was sent to [REDACTED] who then sent it to Mr Wilson. Mr Wilson was on holiday at the time and did not return to work until the 30<sup>th</sup> January 2023. On the 30<sup>th</sup> January he met with his senior officers and told them to cease active discussions with [REDACTED] and then arranged a meeting with [REDACTED] and [REDACTED] for the morning of the 1<sup>st</sup> February 2023.

6.33 At the meeting of the 1<sup>st</sup> February 2023, we understand Mr Wilson was directed by [REDACTED] and [REDACTED] to make further enquiries of the Derbyshire Police. Derbyshire Police provided an update to Mr Wilson on the 10<sup>th</sup> February 2023, after which Mr Wilson advised [REDACTED] that the Council should disengage from all discussions with [REDACTED]. [REDACTED] agreed but it was acknowledged there was also a need to inform all Members. As a result, the issue was added to the agenda of a Member Briefing already planned for the 20<sup>th</sup> February 2023.

6.34 In the light of Mr Wilson's actions on the 30<sup>th</sup> January 2023, we were keen to understand why the meeting which took place between Mr Cogings, [REDACTED] and [REDACTED] on the 31<sup>st</sup> of January 2023 at the Town Hall was not cancelled, and what was discussed as a result.

6.35 We understand from Mr Cogings and [REDACTED] that the meeting resulted from a previous meeting which took place on the 25<sup>th</sup> January 2023, where concerns had been raised about the use of the access on to the [REDACTED] site. As a result, [REDACTED]



[REDACTED] had been asked to provide legal documentation to demonstrate he had right of access. Mr Cogings felt it would look strange not to go ahead with the meeting but was anxious that it took place on Council premises rather than on site at [REDACTED].

- 6.36 However, we also understand that at this meeting a discussion took place around land values, at which it was made clear to [REDACTED] that the Council would never be in a position to come close to meeting [REDACTED] valuation of the land (£160,000). According to Mr Cogings, this was done to enable [REDACTED] to walk away from the discussions on his own terms – which it seems he did.
- 6.37 This was the last meeting between the Council and [REDACTED] in relation to the proposal to establish permanent Travellers' pitches at [REDACTED].

**Decision: This allegation is not upheld**

- 6.38 Regardless of the revelations about [REDACTED] criminal past, the 16<sup>th</sup> March 2023 meeting of the Full Council was never going to be in a position to make a formal decision to purchase or lease land to deliver the [REDACTED] proposal.
- 6.39 In our view Mr Wilson acted promptly to end active discussions with [REDACTED] on the 30<sup>th</sup> January 2023 following [REDACTED] email and then to advise [REDACTED] to withdraw from all engagement on the 10<sup>th</sup> of February 2023 following the update from the Derbyshire Police.
- 6.40 However, we believe that continuing with the planned meeting between Mr Cogings, [REDACTED] and [REDACTED] on the 31<sup>st</sup> January 2023 was unwise and if it had turned out differently, could have put the Council in a difficult position.

#### **Allegation 4: Prior knowledge of convictions and of involvement in organised crime**

##### **Summary**

6.41 The complainants allege that Mr Braund and [REDACTED] had prior knowledge of [REDACTED] criminal history and his links to organised crime due to their previous professional dealings with him. The complainants also allege that [REDACTED] would have known of [REDACTED] criminal history.

##### **Investigation**

6.42 Mr Braund and [REDACTED] confirmed to us that they had both come across [REDACTED] when he was involved in running the [REDACTED], a building which the Council owned.

6.43 During that time, the [REDACTED] was managed by a [REDACTED] and [REDACTED]. [REDACTED] appeared to be the senior partner and [REDACTED] managed the door staff.

6.44 Mr Braund recounted that as a generic Environmental Health Officer he had undertaken inspections of the [REDACTED] in the 1990s. From 1997 he took on a management role and others made the inspections, although he may have been involved from time to time. In 2001 Mr Braund took on a more specialist management role focussing on pollution (including noise). In 2005 the law changed and Council also became responsible for alcohol licences. Mr Braund recalls that at this point the [REDACTED] named [REDACTED] and another man – but not [REDACTED]

6.45 Throughout this time, Mr Braund's interactions with the [REDACTED] were primarily through [REDACTED]. He would have spoken to [REDACTED] on occasion, but only if [REDACTED] was not present. Mr Braund is clear that he did not meet or speak to [REDACTED] outside of work, and did not see him at all between 2005 and when he visited [REDACTED] with Mr Cogings on the 30<sup>th</sup> May 2022.

6.46 The complainants allege a relationship between [REDACTED] and [REDACTED] on the 10<sup>th</sup> March 2020. We have seen absolutely no evidence to support this allegation.

6.47 [REDACTED] recounted that he also met with [REDACTED] and [REDACTED] during their time managing the [REDACTED], initially in relation to an asbestos issue, but that again [REDACTED] appeared to be the senior partner.

6.48 Later [REDACTED] recalls that legal and finance colleagues from the Council also became involved as [REDACTED] and [REDACTED] had fallen behind with the rent. This culminated in [REDACTED] taking a report to the Council's Partnership & Regeneration Committee on the 1<sup>st</sup> May 2008 which recommended termination of the lease – and the keys to the building were subsequently returned to the Council by [REDACTED] on the 24<sup>th</sup> June 2008.

6.49 At the meeting to return the keys, [REDACTED] stated that [REDACTED] (who was not present) still had personal possessions in the [REDACTED]. As a result, a few weeks later [REDACTED] was asked to open-up the building to enable [REDACTED] to collect his possessions. [REDACTED] arrived in a van with [REDACTED] and they were in the building for between 20 and 30 minutes.

6.50 This was the last time that [REDACTED] saw [REDACTED] until he visited [REDACTED] with Mr Cogings on the 1<sup>st</sup> July 2022. Unlike Mr Braund, [REDACTED] did not recognise [REDACTED] – although [REDACTED] apparently recognised him.

6.51 Turning specifically to the issue of prior knowledge of [REDACTED] criminal history.

6.52 [REDACTED] is clear that he knew nothing about [REDACTED] past other than that he had been involved in the running the [REDACTED].

6.53 However, Mr Braund said he had understood from a colleague that [REDACTED] had a criminal conviction and had probably been to prison, which in part explained why [REDACTED] name did not appear on the 2005 alcohol license.

6.54 Mr Braund said he made Mr Cogings aware of this at their first site visit with [REDACTED] on the 30<sup>th</sup> May 2022, and that he subsequently volunteered the same information to Mr Wilson and [REDACTED] at an informal ‘catch up’ meeting also involving Mr Cogings.

6.55 However, Mr Braund made it clear to us that he was unaware of full extent of [REDACTED] past until he read [REDACTED] email of the 26<sup>th</sup> January 2023.

6.56 We asked Mr Cogings about what Mr Braund had told him about [REDACTED]. He conceded that he had been made aware of [REDACTED] ‘unsavoury’ past and that he may have been to prison.

6.57 We asked Mr Cogings why he did not make further investigations about [REDACTED] at this point. His view was that he believed that [REDACTED] was genuine about wanting to help the two traveller families, that the site at [REDACTED] seemed to offer some potential, and that it was not normal practice to investigate people’s pasts in such circumstances.

6.58 We asked Mr Wilson and [REDACTED] if they had been made aware that [REDACTED] had previous convictions by Mr Braund or any other officer of the Council before the 26<sup>th</sup> January 2023. They said they had not.

**Decision: this allegation is partly upheld**

6.59 We are clear that both Mr Braund and Mr Cogings had some prior knowledge of [REDACTED] criminal past, and that this was probably shared more widely among senior officers, but that they chose not to investigate further and instead trusted their own assessment that [REDACTED] was genuine in his desire to help the Traveller families. As events transpired, this was a significant error of judgement.

- 6.60 However, we stop short of concluding officers knew the full details of [REDACTED] [REDACTED] convictions. We believe that the content of [REDACTED] email of the 23th January 2023 and its implications came as a complete shock to the Council. All those we interviewed were clear that they would have terminated discussions immediately if they had known the full details of [REDACTED] criminal history.
- 6.61 The alternative is to conclude that officers were aware of all this information and somehow believed that they could complete a land deal and secure planning permission without anyone else noticing who [REDACTED] was – which does not seem to us to be remotely credible.

## **Allegation 5: Financial concerns and significant conflicts of interest**

### **Summary**

6.62 The complainants question the procurement of Nottingham Community Housing Association (NCHA) to provide architectural advice and allege an un-declared conflict of interest relating to ████████ of Mr Cogings. In addition, the complainants question the costs and valuation figures provided by the Council in response to FOI requests and allege a misuse of public money.

### **Investigation**

6.63 We first of all wanted to be clear about how much money was actually spent by the Council in investigating the ████████ proposal and on what. We have confirmed that only two pieces of the advice were procured:

- Valuation Report from Residentially Chartered Surveyors: Invoice Date 16<sup>th</sup> November 2022. Invoice total £1,550 plus VAT
- Site Feasibility Work from Nottingham Community Housing Association: Invoice Date 11<sup>th</sup> January 2023. Invoice total £2,457.99 plus VAT. This includes a fee to Pelham Architects and a fee for Pre-Application Planning Advice.

6.64 Copies of both invoices are contained in Appendix 5 & 6 respectively. As a result, we can confirm that the total cost incurred by the Council on the ████████ proposal was **£4,007.99** plus VAT<sup>5</sup>

6.65 Both payments fell within the delegated authority of Mr Cogings to authorise.

6.66 Local Authorities are required by Government to publish details of all payments over £250 on their web-site. We have checked relevant disclosures and we are happy that both invoices were correctly declared by the Council.

6.67 By way of a comparison, we also asked to see the relevant invoices for investigation work into the viability of the Knabhall Lane site. These came to a total of £11,550 plus VAT.

6.68 We then turned to the question of the procurement process by which Nottingham Community Housing Association (NCHA) were appointed by the Council as the development and management partner for the Council's Housing Programme

6.69 We have seen evidence that confirms the procurement process was handled by staff at Derbyshire County Council, who had more knowledge and experience of large procurement exercises, and independent consultants appointed by the Council. We also understand that Mr Cogings himself 'stood back' from the process, and that specialist advice was sought instead from a housing officer in a neighbouring authority. This was because Mr Cogings had had extensive dealings with both main bidders in the course of his duties and felt conflicted.

---

<sup>5</sup> All local authorities are able to claim back the cost of VAT paid on invoices. Therefore, the actual cost to the council of procuring external goods or services does not include VAT.

- 6.70 The Council confirmed the appointment of NCHA on 26<sup>th</sup> November 2020 following a report to Council made by the Chief Executive which is in the public domain. The report notes that NCHA submitted the lowest tender and scored marginally higher on quality.
- 6.71 We were also able to confirm that during the procurement process Mr Cogings' [REDACTED], who was at that time working as the Council's Rural Housing Enabler, applied for a job at Nottingham Community Housing Association and was successful, leaving the employment of the Council on 1st November 2020.
- 6.72 Given the commercial relationship between the Council and NCHA, Mr Cogings is required to make a 'related parties' disclosure on an annual basis. A 'related parties' disclosure is made to the Council's Monitoring Officer ([REDACTED] at the time) and detail any transaction between the Council and a third party in which an individual has a personal interest, either directly or through a close relative or spouse. We have seen a copy of the Mr Cogings' declarations for 2020/1 and 2021/2 and are happy that they have been correctly made.
- 6.73 The complainants raise questions and concerns about the valuation of the site at £60,000. We are not in a position to question the professional judgement of the valuers, but we note that [REDACTED] had the site valued at £160,000.
- 6.74 There was clearly a significant gap between these two estimates which would have been very difficult to bridge through any negotiation. Although both Mr Cogings and [REDACTED] indicated the potential for a degree of flexibility, we have seen no evidence that the Council was willing to pay £160,000 for the land or that any offer to do so (with or without the role of 'paid warden') was made – whatever [REDACTED] may have told the complainants.
- 6.75 Similarly, the complainants raise a number of questions and concerns about the build costs of the plans developed via NCHA, estimated to be £473,555. Again, we are not in position to question the professional judgement of the contractors involved. Clearly this would be a very expensive scheme to deliver but given the remote location of the site and its topography, we are not surprised.
- 6.76 The NCHA commission also included the cost of securing Pre-Application Planning Advice. A copy of the advice was provided to us by [REDACTED], which concludes:
- "In summary it is recognised that there is a clear need for traveller sites in the district and that the council does not have a five year supply of sites at this time. The provision of 4 no. pitches therefore weighs in favour of the development. However, the unsustainable location of the site and the potential effects of the development on the local landscape / character and appearance of this part of the countryside are a concern. Whilst consideration can be given to the personal circumstances of the occupants of the pitches with regard to the need for a site away from existing settlements, this would be unlikely to outweigh the above concerns in my view."*
- 6.77 The full advice is set out in the Appendix 7

**Decision: This allegation is not upheld**

- 6.78 We are clear that the total cost of work commissioned by the Council to assess the [REDACTED] site was £4,007.99 We do not consider this to be excessive when compared to the assessments undertaken for the Knabhall Lane site for instance.
- 6.79 We are clear that the procurement process to appoint Nottingham Community Housing Association (NCHA) was sound and that potential conflicts of interest have been appropriately managed. Although the NCHA had no direct experience of delivering Travellers' sites, they are the Council's housing development partner and so are an appropriate body to undertake development work of this nature.
- 6.80 Finally, given the high build costs and the gap between the two land valuations, we observe that it is very difficult to see how the scheme could ever have been financially viable or deliverable. In addition, it appears unlikely that the development could have been made acceptable in planning terms.

## **Allegation 6: Lack of safeguarding assessments**

### **Summary**

- 6.81 The complainants allege that the Council did not consider the safeguarding implications of locating Travellers' pitches at [REDACTED] and that no safeguarding assessments were undertaken by the Council – which was an error.

### **Investigation**

- 6.82 It was clear from our visit to [REDACTED] on the 17<sup>th</sup> November 2023 that safeguarding issues and the lack of safeguarding assessments were a particular concern of the complainants.
- 6.83 [REDACTED] This view appears to be shared by Mr Wilson and Mr Braund, although we note decisions of this nature rest with the Derbyshire County Council Social Services, not Derbyshire Dales District Council.
- 6.84 The complainants [REDACTED], and there are [REDACTED] resident at [REDACTED]. They are concerned about [REDACTED] in what is a very isolated location, but also concerned to protect what they recognise as two vulnerable traveller families from the influence of someone known to have a criminal history, [REDACTED]
- 6.85 It was clear from our meetings with Mr Wilson and with Mr Cogings that no safeguarding assessments had been undertaken on the [REDACTED] proposal and none had been planned before the Council terminated the proposal on the 20<sup>th</sup> February 2023.
- 6.86 Both Mr Wilson and Mr Cogings were of the view that it was premature to consider such issues. The focus of the preliminary assessments undertaken by Mr Cogings were to understand the basic financial viability of the proposal and its acceptability in planning terms consistent with what Members had authorised at the Member Briefing on the 23<sup>rd</sup> June 2022.
- 6.87 Had the proposal progressed, Mr Wilson was of the view that such issues would have been addressed. He highlighted the role of the Director of Community and Environmental Services as the Council's designated 'safeguarding officer', and the ongoing liaison with the Derbyshire County Council social services team that look after the families' personal needs.
- 6.88 Mr Cogings noted that he had not been asked to undertake a safeguarding assessment on this proposal and it was not something he had been asked to do in relation to the provision of affordable housing more generally – some of which met the housing needs of similarly vulnerable people. However, he was clear that the site if developed would need supervising by a suitably qualified third party (although not by a live-in warden), and that he would have followed whatever safeguarding guidance was necessary.



6.89 Finally, we note that Government's Planning Policy on accommodating Gypsies and Travellers does not include any specific references to undertaking safeguarding assessments.<sup>6</sup>

**Decision: This allegation is not upheld**

6.90 Whilst we recognise the complainants concerns on this issue, it is clear to us that the proposal never progressed to a point at which the particular safeguarding issues presented by the two families would have been addressed by the Council and the County Council's Social Services Team.

---

<sup>6</sup> Planning Policy for Travellers is available at [Title \(publishing.service.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/270207/Planning_Policy_for_Travellers.pdf)

## **Allegation 7: Lack of enforcement of planning permission breaches**

### **Summary**

- 6.91 The complainants allege that the Council colluded with [REDACTED] over the enforcement of planning breaches relating to the use of his barn and did not follow proper procedures and contrast these actions with enforcement action which took place on another property at [REDACTED]

### **Investigation**

- 6.92 It is clear from the evidence that the Council received notification of a planning breach relating to [REDACTED] barn on the 2<sup>nd</sup> February 2023, which was then acknowledged by letter on the 10<sup>th</sup> February 2023. The letter advised that the Council would undertake an investigation within 7 days and then notify the outcome within 28 working days (14<sup>th</sup> March 2023).
- 6.93 The Council acknowledges that this did not happen. [REDACTED] described the situation as 'dynamic', with further issues being raised by the local MP and then a complaint that [REDACTED] was using the barn for residential purposes.
- 6.94 The Council issued a Planning Contravention Notice (PCN) on the 16<sup>th</sup> March by first class recorded delivery, in order to establish the necessary facts prior to visiting the site. [REDACTED] told us that the PCN was sent to the legal owner of the land as recorded at HM Land Registry because the barn on the site was just a storage facility. The only alternative approach would have been to put up a site notice, which he regarded as inefficient. Mr Wilson noted that Section 172 of the Town & Country Planning Act 1990 requires the landowner to be served with a PCN. However, the PCN was not delivered although this could not be confirmed by Royal Mail until the 30<sup>th</sup> March 2023.
- 6.95 A second PCN was issued by the Council on the 31<sup>st</sup> March 2023, which was delivered successfully by Royal Mail on the 1<sup>st</sup> April 2023. In an email updating the complainants on the situation on the 3<sup>rd</sup> May 2023, [REDACTED] noted that a response to the PCN had yet to be received – potentially an offence.
- 6.96 This email was also copied to the local MP and to Mr Wilson, who in response asked [REDACTED] on the 4<sup>th</sup> May 2023 to prioritise the situation given the level of interest in [REDACTED]. As a result, [REDACTED] contacted Mr Braund (his line manager) and [REDACTED] to enquire if they had any additional contact details for the landowner. Mr Braund replied that all he had was the Land Registry address for the landowner but passed on the mobile phone number for [REDACTED], the occupier.
- 6.97 [REDACTED] called [REDACTED] and spoke to him about the PCN and confirmed that the Council needed to ascertain how the barn was being used. [REDACTED] invited [REDACTED] to visit the barn and [REDACTED] attended with a colleague straight away. [REDACTED] completed the PCN response on site (contained in Appendix 8). This is the only written documentation we have seen from [REDACTED]. [REDACTED] recalls that he had to help [REDACTED] with the of spelling some words.

- 6.98 [REDACTED] told us that whilst there were planning breaches that needed to be regularised through a retrospective planning application, there was no evidence that the barn was being used for residential purposes when he visited the site on the 4<sup>th</sup> April 2023. Nor did he see any evidence of this when he had previously visited the site on the 18<sup>th</sup> November 2022 in the course of providing Pre-Application Planning Advice for Nottingham Community Housing Association.
- 6.99 We understand that a retrospective planning application has been made by [REDACTED] and is (at the time of writing) awaiting determination by the Council.
- 6.100 The complainants allege that [REDACTED] had 'inside information' from the Council about the enforcement action, and in particular highlight the role of [REDACTED].
- 6.101 Since [REDACTED] has worked [REDACTED] for the Council as a [REDACTED]. Essentially, [REDACTED] is [REDACTED]. As well as being [REDACTED] we understand from [REDACTED] that she has also had [REDACTED].
- 6.102 As far as [REDACTED] is concerned, [REDACTED] has no role in the processing of planning applications or in planning enforcement. We have confirmed via the Council's IT Department that [REDACTED] does not have access to the Development Management folders where PCN and other formal planning notices are filed.
- 6.103 [REDACTED] is one of 32 named officers with access to the Council's public planning inbox ([planning@derbyshiredales.gov.uk](mailto:planning@derbyshiredales.gov.uk)). However, Mr Wilson has confirmed to us that [REDACTED] and therefore would not have seen the notification of a planning breach received by the Council on the 2<sup>nd</sup> February 2023.
- 6.104 The complainants contrast [REDACTED] experience of enforcement with that of two former residents of [REDACTED]. We are not able to go into the planning merits of this case, but we have looked at the process.
- 6.105 From what we understand, a planning breach was identified by the Council in February 2013. A retrospective planning application was invited and submitted to the Council in May 2013. Planning permission was refused in August 2013 and an appeal submitted. The appeal was dismissed by the Secretary of State in October 2014 and the Council's Enforcement Notice was upheld.
- 6.106 As far as we can see, in both cases a planning breach was identified and then a retrospective planning application was invited.
- Decision: This allegation is partially upheld**
- 6.107 We do not believe there is any evidence of collusion between the Council and [REDACTED] in this matter, and in particular no evidence that [REDACTED] was at all involved.

- 6.108 In general we find that the Council's approach to dealing with the planning breach by [REDACTED] to be proportionate and consistent with the Government's policy of regularising breaches through a retrospective planning application where possible.
- 6.109 However, whilst we believe that the Council was right to serve the PCN on the landowner, efforts should also have been made to contact the occupier at an earlier stage, particularly as the occupier, [REDACTED], was already known to the Council. We note that S172 of the TCPA 1990 also makes reference to notifying the occupier and 'any other person having an interest in the land'.
- 6.110 Whilst we do not believe that the length of time between the original planning breach being notified to the Council on the 2<sup>nd</sup> February 2023 and the response to the second PCN on the 4<sup>th</sup> April 2023 had a material impact on the outcome of the enforcement process, it has contributed to a climate of suspicion and mistrust between the complainants and the Council.

## **Allegation 8: Unfair rejection by the Council of an alternative site**

### **Summary**

6.111 The complainants allege that planning permission for 8 Traveller pitches on the Woodyard site was unfairly rejected by the Council on the 14<sup>th</sup> June 2022, and cite in particular comments made at the meeting by [REDACTED].

### **Investigation**

- 6.112 We have set out below our understanding of the history of the Woodyard site in respect of proposals for Traveller pitches based on evidence gathered during the investigation.
- 6.113 In June 2014 planning permission was granted by the Council for 3 Traveller pitches on a temporary basis for 3 years, although it was recognised that it was not in a sustainable location for a permanent site and would have a negative impact on the Derwent Valley Mills World Heritage Site (DVMWHS). A subsequent application to remove the temporary condition was refused. However, the permission was never implemented.
- 6.114 In December 2015, an application for 7 permanent Traveller pitches was refused by the Council because of its unsustainable location and impact on the DVMWHS. The decision went to appeal, but the appeal was dismissed by the Secretary of State in July 2016.
- 6.115 In June 2022, an application for 8 permanent Traveller pitches was again refused by the Council because of the site's unsustainable location, impact on the DVMWHS and also the lack of a flood risk appraisal (the site is within Flood Zone 2 as defined by the Environment Agency). Whilst the officers' report acknowledged the lack of Travellers pitches to meet identified need, the planning judgement was that this did not outweigh the negative impacts of the proposed development.
- 6.116 It was in this meeting that [REDACTED] inferred that there may be an alternative site under consideration by the Council, which is acknowledged to be a reference to [REDACTED].
- 6.117 The application was then re-submitted and this time approved by the Council in September 2023. Although the officers recommended refusal on the same grounds, Members of the Committee took a different view and approved the application. In effect they gave greater weight to the level of need, and less to the acknowledged negative impacts of the development.
- 6.118 Subsequent to this decision, officers began engagement with the landowner to bring forward the Woodyard site for development, undertaking preliminary investigations within a delegated budget of £25,000. However, we understand the work to date has demonstrated:
- The site can only accommodate 5 Traveller Pitches.
  - There is no clean water connection - the nearest mains supply would appear to be 200m away along the A6 and across 2 parcels of privately owned land.
  - Although there is an adjacent foul sewer which runs to a nearby sewage works, it is pressurised and not possible to connect to.

- There are no surface water sewers.
- There is no gas supply

6.119 As a result the site does not appear to be deliverable in the short term, and not at all without significant investment, and discussions between officers and the landowner have ceased.

**Decision: This allegation is not upheld.**

6.120 In our view there were sound planning reasons for the Council to refuse planning permission for the Woodyard site in June 2022 consistent with earlier decisions, including an appeal decision. [REDACTED] comment made at the meeting was unwise, but there is no evidence that it influenced the other Committee Members – there appears to have been no subsequent questions or discussion at the meeting relating to what [REDACTED] said.

6.121 In approving what was effectively the same application against officer advice in September 2023, the new Committee gave greater weight to need in the 'planning balance' - as it was perfectly entitled to do in the circumstances. But this does not mean that the earlier decisions were flawed.

6.122 The subsequent failure of the Woodyard site to be delivered demonstrates that whilst planning permission is necessary for development to take place, it is not sufficient.

### **Allegation 9: Missing paperwork and lack of transparency**

#### **Summary**

6.123 The complainants allege a lack of written records and meetings notes relating to the negotiations that took place between the Council and [REDACTED] between May 2022 and February 2023, and that in particular that the Council has not made available the 'Heads of Terms' agreement between the Council and [REDACTED].

#### **Investigation**

6.124 It is clear from everyone that we spoke to that one of the challenges of dealing with [REDACTED] was his reluctance to put anything in writing (even a text message). This appears to be in part of a result of how he prefers to engage with people, but also from a lack of technical proficiency in the written form. The only piece of written documentation from [REDACTED] we have seen is the response to the second Planning Contravention Notice passed to us by [REDACTED].

6.125 However, the thrust of the allegations from the complainants is that officers of the Council did not make or keep a note of meetings with [REDACTED], so that it is very difficult to understand what has been discussed and agreed as a result.

6.126 Mr Cogings and [REDACTED] were both of the view that discussions with [REDACTED] were only of a preliminary nature and had not crystallised to the extent that required formal documentation.

6.127 We understand that the Council does not operate any systematic approach to managing and recoding interactions with third parties.

6.128 Turning specifically to the issue of 'Heads of Terms' agreement between the Council and [REDACTED]. The complainants and the local MP are convinced that such a document exists and has been suppressed by the Council.

6.129 From our perspective, we find it very difficult to understand on what basis the Council could have instructed its legal team to develop a 'Heads of Terms' agreement even in draft form. The preliminary assessments undertaken by Mr Cogings are certainly not in themselves sufficient.

6.130 In terms of the Council's decision-making process, we understand that such a document would only have been considered at the point at which the matter went before the Community and Environment Committee. But as we know the [REDACTED] proposal never reached that stage.

6.131 The complainants cite a number of instances where officers make reference to a 'Heads of Terms' agreement - but we observe that these are in the future tense, not the present or the past.

#### **Decision: this allegation is partially upheld**

6.132 We are clear that [REDACTED] proposal did not reach the point where a 'Heads of Terms' agreement could have been produced by the Council's legal team even in draft form, and that no such document exists.

- 6.133 Whilst we recognise [REDACTED] reluctance to put anything in writing was a challenge for the Council, in our view this should have reinforced the importance of officers keeping some form of written record of meetings with him. This need not have been onerous, just a few short sentences in the form of a file note summarising what was discussed and any next steps.
- 6.134 We have commented elsewhere in this report about the lack of any notes from the two Member Briefing meetings which were pivotal to the Council's consideration of the [REDACTED] proposal.
- 6.135 In general we believe that the failure to make written records of key events relating to the [REDACTED] proposal has undermined trust and confidence in the actions undertaken by the Council and has left officers exposed.



### **Allegation 10: Lying by senior officers of the Council.**

#### **Summary**

- 6.136 This allegation relates specifically to the conduct of [REDACTED] and Mr Wilson in relation to the statement issued by the Council on the 22<sup>nd</sup> February 2023, which the complainants believe gave false reasons for the Council abandoning the [REDACTED] proposal and in particular did not acknowledge the criminal history of [REDACTED]

#### **Investigation**

- 6.137 From what we were told it appears that following the Member Briefing held on the 20<sup>th</sup> February 2023 it had still been planned to take a report to the 16<sup>th</sup> March 2023 meeting of the Full Council to formally terminate the [REDACTED] proposal. This did not happen. Instead, the Council just issued a public statement on the 22<sup>nd</sup> of February 2023 to the same effect.
- 6.138 We first looked to confirm who originally drafted the statement and who signed it off. We are clear that the statement was drafted by the Council's Communications and Marketing Manager - which in our experience would be normal practice. This draft was first shared with Mr Wilson and [REDACTED] for comment. Only Mr Wilson suggested any changes – which the complainants acknowledge.
- 6.139 The draft statement was then circulated by email to the three Group Leaders for sign off on 21<sup>st</sup> February 2023 at 13.07pm (a copy of this email is set out in Appendix 9). We have seen written confirmation by email that:
- [REDACTED] responded in agreement to the statement at 13:59pm
  - [REDACTED] responded in agreement to the statement at 17:07pm
  - Cllr Flitter responded in agreement to the statement at 17:50pm
- 6.140 The statement was then issued by the Council on the 22<sup>nd</sup> February 2023 as set out below:

#### **Statement - Hasker Farm 22 February 2023**

Derbyshire Dales District Council has renewed its appeal to local landowners to come forward with suggestions for a permanent Traveller site after deciding not to further pursue farmland that had been under discussion at Callow, near Wirksworth.

It had originally been envisaged that officers would present a report on the Callow site to a full meeting of the council on 16 March, but the authority has now agreed as part of its due diligence process that the site is not financially viable for the council or deliverable and that it would not have been possible to take a positive recommendation to the meeting.

A spokesperson said:

*"This isn't the first time that a potential commercial land negotiation has failed at this stage. What makes this case unusual is the public interest in this particular site ahead of the start of the democratic process and a process of public consultation."*

*"We would add only that the preliminary discussions and evaluations that have taken place over recent months are no different to discussions that take place on many potential development opportunity sites and that the process to date has been carried out properly and would have included extensive public consultation had the proposal been taken forward for Council decision and a possible planning application.*

6.141 Turning to the substance of the statement and in particular the phrase: "...the site is not financially viable for the council or deliverable and that it would not have been possible to take a positive recommendation..."

6.142 We have noted earlier in our report that the two pieces of work commissioned by Mr Cogings demonstrated:

- A gap of £100,000 between the Council's valuation of the site and [REDACTED] valuation;
- Build costs for the scheme estimated to be £473,555; and that
- Planning permission was unlikely to be granted for the scheme.

6.143 Based on our experience, any one of these factors could have rendered the proposal undeliverable. Taken together, it is very hard for us to see how a positive recommendation could have been made to Full Council to continue with the proposal.

6.144 We asked [REDACTED] why the statement did not also include a specific reference to [REDACTED] criminal history. [REDACTED], who is a former [REDACTED], was of the view that it would be inappropriate for the Council to make public statements about an individual's alleged past or to refer to personal data, also citing the Rehabilitation of Offenders Act. This point was also made by Cllr Hobson, who we understand also has [REDACTED].

6.145 However, all those we interviewed acknowledged the reputational damage to the Council of being associated with a known criminal, which would have made the proposition politically undeliverable even if it had been viable in all other respects.

**Decision: This allegation is not upheld**

6.146 Neither Mr Wilson or [REDACTED] drafted the Council's statement issued on the 22<sup>nd</sup> February 2023 and neither did they sign it off.

6.147 Regardless of this, we do not agree that the Council's statement is fundamentally untrue. It is clear to us that the site was not financially viable or deliverable for a number of reasons. Whilst the revelations of [REDACTED] criminal history precipitated a decision to terminate the proposal in advance the 16<sup>th</sup> March 2023 Full Council, we have no doubt that the outcome would have been the same based on the assessment work commissioned by Mr Cogings.

6.148 Indeed, we believe a report on [REDACTED] should still have gone to the Full Council as originally proposed, where a formal decision to terminate could have been made based on consideration of all the available information and in an open and transparent manner. As it was, the decision was effectively taken at closed informal meeting of Members with no notes taken. In fact, in the same unsatisfactory manner

in which Members decided to assess [REDACTED] as a potential Travellers site back on the 23<sup>rd</sup> June 2022.

## 7 CONCLUSIONS

7.1 In summary, the following allegations have been **partially** upheld:

- 1) Lack of transparency and good governance
- 4) Prior knowledge of convictions and of involvement in organised crime
- 7) Lack of enforcement of planning permission breaches
- 9) Missing paperwork and lack of transparency

7.2 The following allegations have **not** been upheld:

- 2) Inadequate due diligence and gross professional negligence
- 3) Continued commercial engagement with a known criminal
- 5) Financial concerns and significant conflicts of interest
- 6) Lack of safeguarding assessments – although we acknowledge the particular concerns of the complainants have around safeguarding issues.
- 8) Unfair rejection by the Council of an alternative site
- 10) Lying by senior officers of the Council

7.3 Whilst we have not **fully** upheld any of the complainants' detailed allegations, we have highlighted several areas where the Council's conduct fell short of what the public should be able to expect of their local authority, which are set out below.

### **Governance**

7.4 Of key concern is the extent to which Members made decisions about the [REDACTED] proposal not in formal meetings of the Council, but through closed informal Member Briefing sessions for which no written records were made or kept.

7.5 Members should have either made these decisions in public through formal meetings of the Council or agreed to a scheme of delegation to allow officers to make them. This lack of transparency has undermined trust in the Council.

### **Conduct of Officers**

7.6 There were inconsistencies in the accounts of when senior officers had some knowledge of [REDACTED] past convictions (if not the full extent of them), which we have not been able to fully resolve.

7.7 We conclude however that officers were essentially naïve in their dealings with [REDACTED]. They chose to believe their own optimistic assessment of him rather than looking too deeply into his suspicious past and were left exposed when the full details of his criminal history became known.

7.8 Whilst this amounted to a significant error of judgement, we acknowledge the pressures placed upon officers by the Council's political leadership and by the continuing failure to meet the accommodation needs of the two homeless families.

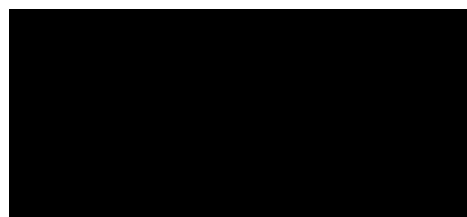
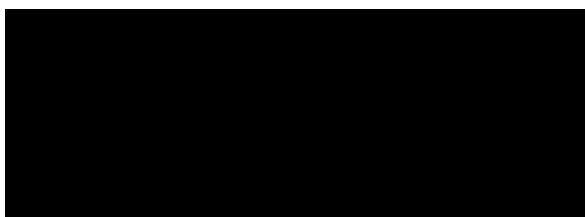
### **Record Keeping by Officers**

7.9 We were able to secure copies of key documents and reports relevant to the [REDACTED] proposal sufficient to understand the sequence of events. However, we were concerned about the lack of written records relating to meetings with [REDACTED]

██████████ and time it took to contact ██████████ to complete the second Planning Contravention Notice, even though by this point he was well known to the Council.

## 8 ORGANISATIONAL LEARNING/ADDITIONAL MATTERS

- 8.1 We understand that the new Council agreed on the 28<sup>th</sup> September 2023<sup>7</sup> a new more transparent process for the meeting the accommodation needs of Travellers, which we believe to be a step forward. However, the July 2021 resolution removing all delegated authority from officers in these matters remains.
- 8.2 The test of this new approach will be the extent to which the Council can finally meet its statutory obligations to provide suitable accommodation to the two vulnerable Travellers families who remain homeless – and whom we feel to be ultimate victims of this whole episode.
- 8.3 We believe that at an operational level the Council should take steps to instil a more effective culture of record keeping and note taking by officers, particularly when dealing with third parties.
- 8.4 Officers should also be reminded of the importance of maintaining a professional approach to writing internal emails, recognising the potential for all such communications to be made public at some point.
- 8.5 Finally, we feel obliged to comment on the relationship between the Council and the local MP. The relationship appears to have deteriorated when [REDACTED] but has not improved since the May 2023 local elections.
- 8.6 We understand there has been no recent meeting between the local MP and the Council and that communication has either been by email or by Freedom of Information requests. This is not an appropriate or sustainable situation in our view and nor is it in the best interests of local residents. We believe steps should be taken on both sides to reinstate regular face-to-face meetings at the earliest opportunity.

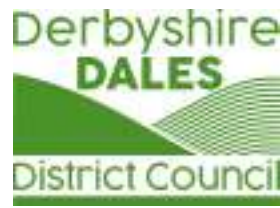


---

<sup>7</sup><https://democracy.derbyshiredales.gov.uk/documents/s8610/Gypsy%20and%20Traveller%20Site%20Provision%20in%20District%20-%20Report%20of%20the%20Traveller%20Working%20Group.pdf>

**List of Appendices**

Appendix 1	'Call for Sites' notice published 9 <sup>th</sup> May 2022
Appendix 2	Email noting officer of land from [REDACTED], 11 <sup>th</sup> May 2022
Appendix 3	Email from Mr Wilson to [REDACTED] and copied to all councillors, 15 <sup>th</sup> June 2022
Appendix 4	Presentation made at Member Briefing 23 <sup>rd</sup> June 2022
Appendix 5	Invoice for work undertaken by Residentially Chartered Surveyors
Appendix 6	Invoice for work undertaken by Nottingham Community Housing Association
Appendix 7	Pre-Application Planning Advice relating to [REDACTED] proposal
Appendix 8	Planning Contravention Notice completed by [REDACTED], 4 <sup>th</sup> May 2023.
Appendix 9	Email from Communication and Marketing Manager to Group Leaders 21 <sup>st</sup> February 2023



## PRESS RELEASE

**9 May 2022 – for immediate release**

**2022/027**

### **Council appeals for land to accommodate permanent Traveller site**

In its search for land to accommodate a permanent Gypsy and Traveller site Derbyshire Dales District Council is seeking expressions of interest from land owners prepared to sell land or enter into a long lease for a site.

The appeal for land follows the recent decision by district councillors to cease the pursuit of Tansley's Knabhall Lane as a potential location following unsatisfactory geotechnical and ecology site assessments.

The Council, which has a specific priority in its Corporate Plan to deliver a permanent Traveller site, says it would ideally be in the southern area of the district, from Matlock to the southern border of the council boundary.

The site should be a minimum of 0.3 HA. As a guide the Council is able to offer three times agricultural value for the purchase of land. The purchase would be subject to planning consent.

The number of pitches that should be provided within a local authority area is determined through a Gypsy and Traveller Accommodation Assessment. This requirement is then reflected in that local authority's Local Plan.

To date the District Council has failed to fulfil the requirement in its adopted Local Plan for six pitches by 2019 and one additional pitch for each five-year period after 2019 - a total of nine pitches by 2034.

In addition to providing temporary encampments of Travellers who are passing through the Derbyshire Dales, the District Council has a legal duty to two family groups of Gypsies with an accepted local connection to the area. The particular circumstances of these families are such that they wish to access a permanent site within the District on which to live.

At the present time no such site is available and as a consequence they also travel around the district, moving from site to site. Because of their



circumstances these families' encampments are often lengthier than those of Travellers who are 'passing through' and they often occur on land that is administered by the District Council.

The requirements for a permanent site are:

- The site could be brownfield land (that means a piece of land that has already had buildings or development on it), but open countryside is also acceptable, sometimes referred to as a Rural Exception Site
- Ideally, the site should be well screened or capable of being screened, limiting the visibility so that caravans or mobile homes are less visible
- The site should be close to local amenities. This means reasonably close (usually within 3 to 5 miles) to shops, public transport, schools, etc.
- The site should have a safe entrance and exit on to the highway
- The site should ideally have services provided to it or be able to have them installed. This means mainly electricity, water and sewage
- The site should not be in an area prone to flooding

In addition expressions of interest should be made by the landowner or their Agent.

The District Council will commit to undertaking the following:

- Respond to all enquiries made by landowners or their agents
- Undertake an initial feasibility assessment of the site
- Prepare and request pre application advice from the Local Planning Authority
- Develop detailed designs for the site and undertake all relevant searches
- Undertake consultation on the proposals
- Submit a planning application for a permanent or temporary traveller site
- Commit to the purchase of the site subject to planning approval

Expressions of interest should be sent to [housing@derbyshiredales.gov.uk](mailto:housing@derbyshiredales.gov.uk) by the 3 June 2022 and ideally include a brief description of the site including how the site meets the requirements set out above, a plan showing the location of the site and contact details for the owner and their agent.

Any questions or points for clarification should be sent to [housing@derbyshiredales.gov.uk](mailto:housing@derbyshiredales.gov.uk)

**ENDS**

-----



**From:** [REDACTED]  
**Sent:** 11 May 2022 16:08  
**To:** [REDACTED]  
**Subject:** Travelers Site call

Hi [REDACTED],

I have someone who has a site to put forward.

[REDACTED]

The site is just out of Wirksworth on the Ashbourne Rd – On the private drive off Asker Farm, not near any residential properties – Already has water and electric, sewerage and parking

Sounds ideal! ☺

[REDACTED]

**Home Options Officer**



Town Hall, Bank Road, Matlock, DE4 3NN

**Main Office:** [REDACTED]  
Direct Line: [REDACTED]

[HousingAdvice@derbyshiredales.gov.uk](mailto:HousingAdvice@derbyshiredales.gov.uk)  
[www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk)

**Wilson, Paul**

---

**From:** Wilson, Paul  
**Sent:** 15 June 2022 11:14  
**To:** [REDACTED]  
**Cc:** All Councillors; Braund, Tim; Cogings, Robert; [REDACTED]  
**Subject:** RE: [OFFICIAL (SENSITIVE)] MEMBER WORKSHOP INVITATION - Provision of Temporary Tolerated and Permanent Traveller Sites

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear [REDACTED],

Discussions have taken place between the landowner, officers and the representative from the Derbyshire Gypsy Liaison Group. Outside of these individuals, the precise location of this site has not been revealed or shared with anybody for reasons of landowner privacy. As we have seen on previous occasions, moving discussions forward on any site requires a degree of confidentiality in order to enable opportunities to be explored. However, in confidence, I can advise that the site is located [REDACTED]. A precise location and details of the site be provided as part of the workshop next week.

In response to a question from the Leader of the Council as to how the public search for sites was progressing, this information was provided as part of my weekly briefing last week with the Leader/ Deputy Leader.

Regards  
 Paul

**Paul Wilson**  
 Chief Executive



Town Hall | Matlock | Derbyshire, DE4 3NN  
 [REDACTED]

[www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk) | [newsletter](#) | [map](#)




---

**From:** [REDACTED]  
**Sent:** 15 June 2022 09:44  
**To:** Wilson, Paul <paul.wilson@derbyshiredales.gov.uk>  
**Cc:** All Councillors <AllCouncillors@derbyshiredales.gov.uk>; Braund, Tim <tim.braund@derbyshiredales.gov.uk>; Cogings, Robert <robert.cogings@derbyshiredales.gov.uk>; [REDACTED]  
**Subject:** Re: [OFFICIAL (SENSITIVE)] MEMBER WORKSHOP INVITATION - Provision of Temporary Tolerated and Permanent Traveller Sites

Thank you for your response Paul, can I ask where it is ? And who has this information been shared with ?

Thanks,

[REDACTED]

[REDACTED]

Doveridge and Sudbury

Sent from my iPad

On 15 Jun 2022, at 09:33, Wilson, Paul <[paul.wilson@derbyshiredales.gov.uk](mailto:paul.wilson@derbyshiredales.gov.uk)> wrote:

Good Morning [REDACTED],

I can confirm that the workshop is still proceeding since there are a number of important updates we need to provide to Members.

In regard to 'potential' Traveller sites, we have had one site suggested as part of the recent public call for sites exercise. This site is currently being evaluated and further discussions are taking place with the landowner. If this site is considered to have some potential, it will be discussed as part of the workshop session.

Regards  
Paul

**Paul Wilson**  
Chief Executive



Town Hall | Matlock | Derbyshire, DE4 3NN  
[REDACTED]

[www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk) | [newsletter](#) | [map](#)



---

**From:** [REDACTED]  
**Sent:** 14 June 2022 23:34  
**To:** Wilson, Paul <[paul.wilson@derbyshiredales.gov.uk](mailto:paul.wilson@derbyshiredales.gov.uk)>  
**Cc:** All Councillors <[AllCouncillors@derbyshiredales.gov.uk](mailto:AllCouncillors@derbyshiredales.gov.uk)>; Braund, Tim <[tim.braund@derbyshiredales.gov.uk](mailto:tim.braund@derbyshiredales.gov.uk)>; Cogings, Robert <[robert.cogings@derbyshiredales.gov.uk](mailto:robert.cogings@derbyshiredales.gov.uk)>; [REDACTED]  
**Subject:** Re: [OFFICIAL (SENSITIVE)] MEMBER WORKSHOP INVITATION - Provision of Temporary Tolerated and Permanent Traveller Sites

Dear Paul ,

Can I ask if this meeting is still going ahead ? , I'm asking this as [REDACTED] at this evenings Planning committee said there is now a site that's been identified , is that correct ?

Thanks ,



Doveridge and Sudbury

Sent from my iPad

On 9 Jun 2022, at 08:40, Wilson, Paul <[paul.wilson@derbyshiredales.gov.uk](mailto:paul.wilson@derbyshiredales.gov.uk)> wrote:

Dear Councillor,

Further to my email on 31<sup>st</sup> May in respect of the above, I would like to invite you to attend an 'in-person', Member workshop to be held in the Committee Room on **Thursday 23<sup>rd</sup> June at 6pm** (calendar invitation to be issued separately).

The purpose of the workshop is:

- To update Members on the current position in regard to Derbyshire Dales resident Traveller families.
- To initiate a cross-party, whole Council discussion on how we progress the identification of temporary tolerated and permanent Traveller sites to meet identified needs and legal duties.
- To receive Member suggestions and discuss potential sites on Council owned land (schedule attached) as a short-term solution to meet immediate housing needs and legal duties.

In advance of the workshop, Members have already been asked by **Friday 17<sup>th</sup> June**, to:

1. Review the sites in your local area where you have specific local knowledge.
2. Supply via email a 'longlist' of potential sites which are worthy of further detailed consideration as part of the workshop discussions.

The whole purpose of this exercise is to engage the views of all Members in order to find a cross-party, agreeable solution to this long standing issue. The objective is that at the conclusion of this workshop, we can identify a site or sites which can then form the basis of a proposal to be considered at a subsequent Council meeting. The workshop will focus solely upon land that we control unless there is clear evidence that other sites are (a) genuinely available, (b) deliverable and (c) politically acceptable. This issue will not be addressed if we continue to pursue speculative suggestions.

In trying to address this issue, Officers have no more or less choice in sites than you currently have before you. Unless there is a degree of cross-party working and consensus on this issue, the problem cannot

be solved. The intention is for Members to put sites 'on the table' for discussion – the exercise is not about excluding sites from consideration, otherwise we will end up in the same position we currently stand with no sites identified.

As the delivery of a permanent Traveller site is a corporate priority for the whole Council, we must do all that we can in the time remaining between now and May 2023 to meet this objective. The failure to deliver a site in the time remaining would not only be a collective corporate failure of the Council but more importantly, we are failing to meet the needs of the Traveller families to whom we owe a legal duty to accommodate.

Hopefully, you can appreciate what we are trying to achieve through these discussions and will endeavour to attend.

Thank you in anticipation for your support and assistance.

Regards  
Paul

**Paul Wilson**  
Chief Executive

Town Hall | Matlock | Derbyshire, DE4 3NN  
[REDACTED]

[www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk) | [newsletter](#) | [map](#)



384

# Member Briefing

June 2022







# Agenda

---

- **Corporate Priority**– Paul
- **Duties and Responsibilities** – Paul
- **The Search for Sites** - Paul
- **Homelessness Duty** – [REDACTED]
- **Current Family Position** – Tim
- **Identifying a Site(s)** – Paul
- **Evaluation of Site Suggestions** - All
- **Next Steps**

**Member Briefing**



# Corporate Priority

## Corporate Plan 2020 -2024

- Agreed at Council 5<sup>th</sup> March 2020
- **Key Aim** : Promote housing development that meets the needs of the present and future population of the District
- **Specific Action** : Delivering a permanent site to meet identified Traveller needs
- **Traveller Needs** : The Derbyshire and East Staffordshire Gypsy and Traveller Accommodation Assessment (GTAA) undertaken in 2014/2015 indicated that 9 pitches were required in Derbyshire Dales in order to meet the needs of the Gypsy and Traveller community over the Local Plan period. That requirement is broken down such that 6 pitches are required to be provided within the first 5 years and then 1 pitch every subsequent 5 years (upto 2033).
- This requirement remains and may possibly increase.

# Duties and Responsibilities

**29<sup>th</sup> September 2016** : Council formally accepted its duties and responsibilities towards Gypsies and Travellers under housing and planning legislation. In particular the Council recognised its duties under Homelessness legislation towards a specific Traveller family, who had been resident within the district for many years, but who did not have a site on which they could legally place their caravans.

**15<sup>th</sup> November 2018, 10<sup>th</sup> December 2018, 21<sup>st</sup> February 2019, 26<sup>th</sup> June 2019  
30<sup>th</sup> October 2019, 2<sup>nd</sup> September 2020**

C&E Committee / Council have explicitly acknowledged and accepted its duties and responsibilities to Gypsies and Travellers under the Homelessness Reduction Act 2017.

**We have accepted that we owe a legal duty on numerous occasions  
..... a key factor in any future legal challenge.**

# The Search for Sites

- 2013 - Active searches of DDDC and DCC land.
- 2013 - Evaluation of sites available for sale on open market via Estate Agents
- 2014 - Local Plan Public Call for Sites Consultation
- 2015 - Planning Permission Granted for Watery Lane, Ashbourne (June)
- 2016 – Need for Ecological Survey Identified (July)
- 2016 – Site allocated subject to Local Plan representations (September)
- 2016 - DCC Cabinet agreed to Watery Lane allocation in Local Plan (October)
- 2017 – Negotiations and preparation of lease heads of terms

# The Search for Sites

- 2017 - DCC Cabinet formally withdrew support for Watery Lane (May)
- 2019 - Consultants appointed to undertake search for private site opportunities
- 2020 - Consultants appointed to identify and value private site opportunities
- 2020 - Council endorsed Knabhall Lane, Tansley (September)
- 2021 - Council approves £25,000 to investigate Knabhall Lane (July)
- 2021 - Public Call for Sites (May)
- 2022 – Knabhall Lane, Tansley withdrawn (April)
- 2022 Public Call for Sites to Purchase (May)

# Homelessness Duty

Under section 175(2) of the Housing Act 1996, applicants are homeless if:

- the accommodation available for their occupation is a caravan, a houseboat or other movable structure and they do not have a place where they are entitled, or permitted, to put it and live in it.
- Where a duty to secure accommodation arises but an appropriate site is not immediately available, the Housing Authority may need to provide an alternative temporary solution until a suitable site, or some other suitable option, becomes available.
- Some members of the Gypsy and Travelling Community may have a cultural aversion to the prospect of 'bricks and mortar' accommodation and, in assessing such cases, the Housing Authority should seek to provide suitable accommodation which is suitable for the person to whom the duty is owed.

# Homelessness Duty (cont.d)

As with any resident, when Gypsies or Travellers approach the Council to make a homelessness application, there are 5 legal tests. These tests are:-

- **Homeless** - a person will be considered legally homeless if he / she has no accommodation which is available and reasonable for him / her to live in or, for example, nowhere legal to park a caravan.
- **Eligibility** - certain people who arrive in this Country or who are returning from a period living abroad do not qualify for housing under homelessness law.
- **Priority Need** - homeless applicants are only entitled to housing assistance if they are in priority need. To be in priority need, an applicant will need to show (for example) that he / she is living with a dependent child or vulnerable due to age, physical or mental illness or disability.

# Homelessness Duty (cont.d)

- **Intentionality** - an applicant may be considered 'intentionally homeless' if he / she has deliberately done something which has resulted in the loss of their home. The definition of 'intentionally homeless' is complex and the Local Authority must look at each case individually, taking all circumstances into account.
- **Local Connection** - an applicant would usually be expected to have lived in the area for at least 6 months during the previous year, or for not less than 3 years during the previous 5 year period, work or have family links to have a local connection. If an applicant has no local connection to any area the duty to help secure accommodation lies with the housing authority that received the application.



# Homelessness Duty (cont.d)

- If Gypsies or Travellers are legally homeless the Local Authority must offer them suitable accommodation.
- Suitable means suitable accommodation for the person to whom that duty is owed.
- Local Authorities must consider that there are cultural aversions to conventional bricks and mortar housing and that there is a positive obligation to act so as to facilitate the Gypsy and Traveller way of life, without being under a duty to guarantee it in any particular case.
- If a Gypsy or Traveller was offered conventional housing rather than a pitch or was offered a pitch when conventional housing was required he or she could seek to challenge this offer under homelessness law.

# Current Family Position

- We are managing 2 family groups who would ideally like separate sites.
- One group is currently sited on the Matlock Station Car Park [REDACTED].
- The second group has recently moved from a roadside location in Foston to a 'private' site in Sudbury. Eviction from this site is imminent.
- This second group has requested access to a temporary site in the south of the District, with access to drinking water, [REDACTED].
- Family support will be provided by [REDACTED], which is why they have specifically requested the south of the District for this temporary site.
- We have a duty to provide homeless Travellers with suitable temporary site(s) in the absence of a permanent site.

# Current Family Position (cont.d)

- This particular family group currently comprises 4 caravans
- On resolution of the issue of urgent medical need, the family will require a longer-term temporary site for occupation until any permanent site can be provided.
- Failure to authorise a suitable site is likely to mean that we will experience further unauthorised encampments, similar to the one currently at Sudbury.
- In the absence of any readily available permanent sites, DDDC will need to consider the level of facilities available at any temporary sites, eg toilets, drinking water, power.
- Both families will continue to grow, as younger family members form their own households. This is likely to result in increasing need that will be identified in the emerging GTAA and future GTAAs.

# Identifying a Site(s)

- In trying to address this issue, Officers have no more or less choice in sites than you currently have before you. Unless there is a degree of cross-party working and consensus on this issue, the problem cannot be solved.
- Need to focus solely upon land that we control unless there is clear evidence that other sites are (a) genuinely available, (b) deliverable and (c) politically acceptable. This issue will not be addressed if we continue to pursue speculative suggestions.
- The intention is for Members to put sites 'on the table' for discussion – the exercise is not about excluding sites from consideration, otherwise we will end up in the same position we currently stand with no sites identified.
- We need at least two temporary tolerated sites and a permanent site(s).

# Current Issues

- Officers currently have no authority to proactively manage unauthorised encampments. If the Travellers to whom we owe a duty move to any site in the Derbyshire Dales, officers are unable to move them on.
- In the absence of any authority, how does the Council wish such encampments to be managed?
- What is the decision making route to managing unauthorised encampments?
- How should the Council respond to requests for urgent medical needs?
- One family have indicated a preference to permanently relocate to Station Close, Rowsley. How should the Council respond to this request?
- The need to identify at least one, preferably two temporary tolerated sites.

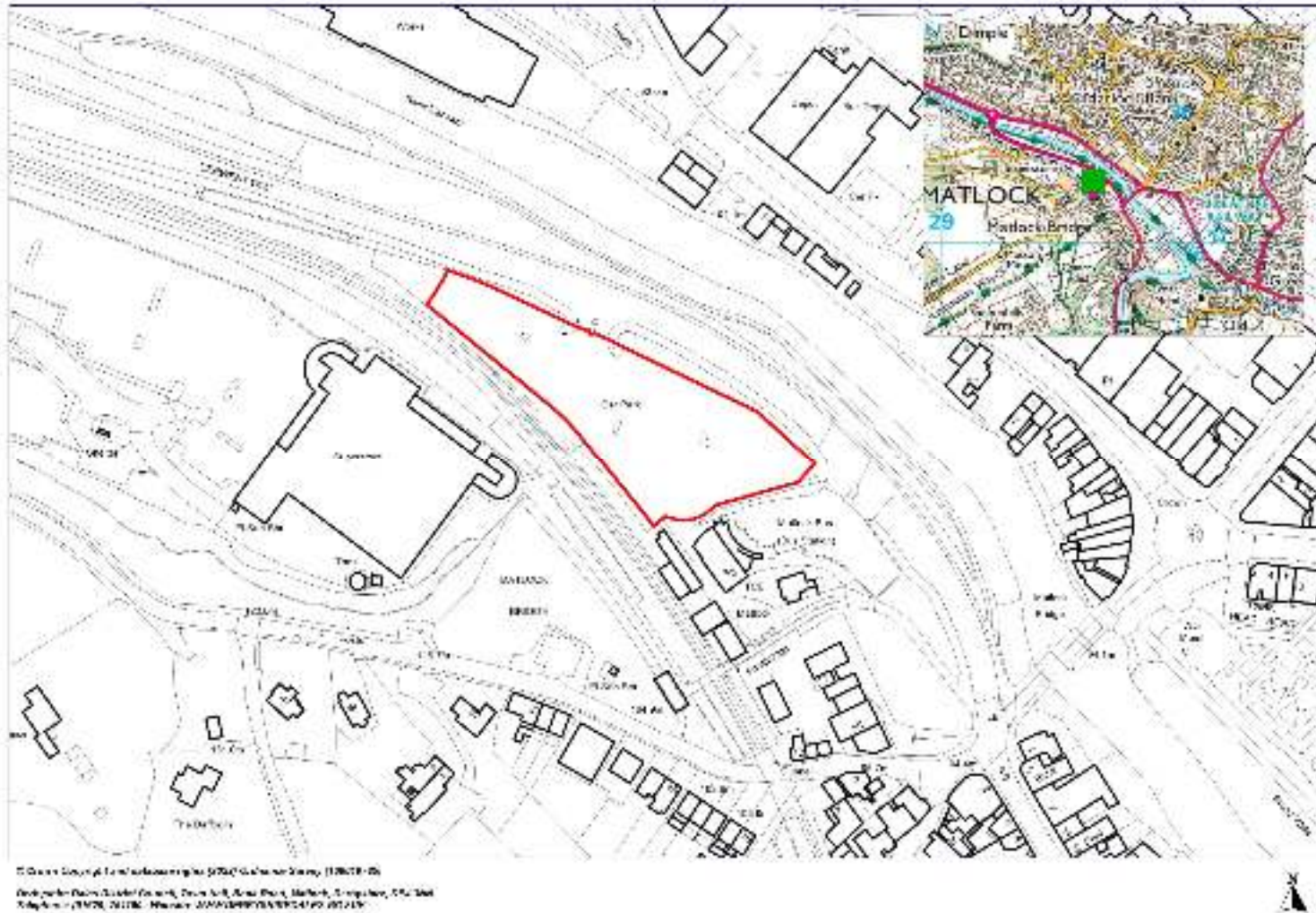
397

# Member Site Suggestions

- There is no perfect site – every site has its challenges and will meet with strong levels of public opposition.
- Council needs to act corporately. Acting parochially will not solve this issue.
- Only 3 Members have submitted sites for discussion this evening. These are:
  - ❖ Matlock Station Car Park
  - ❖ Matlock Bath Station Car Park
  - ❖ Bakewell ABC
  - ❖ Land at Middleton Road, Wirksworth
- PLUS .... [REDACTED]

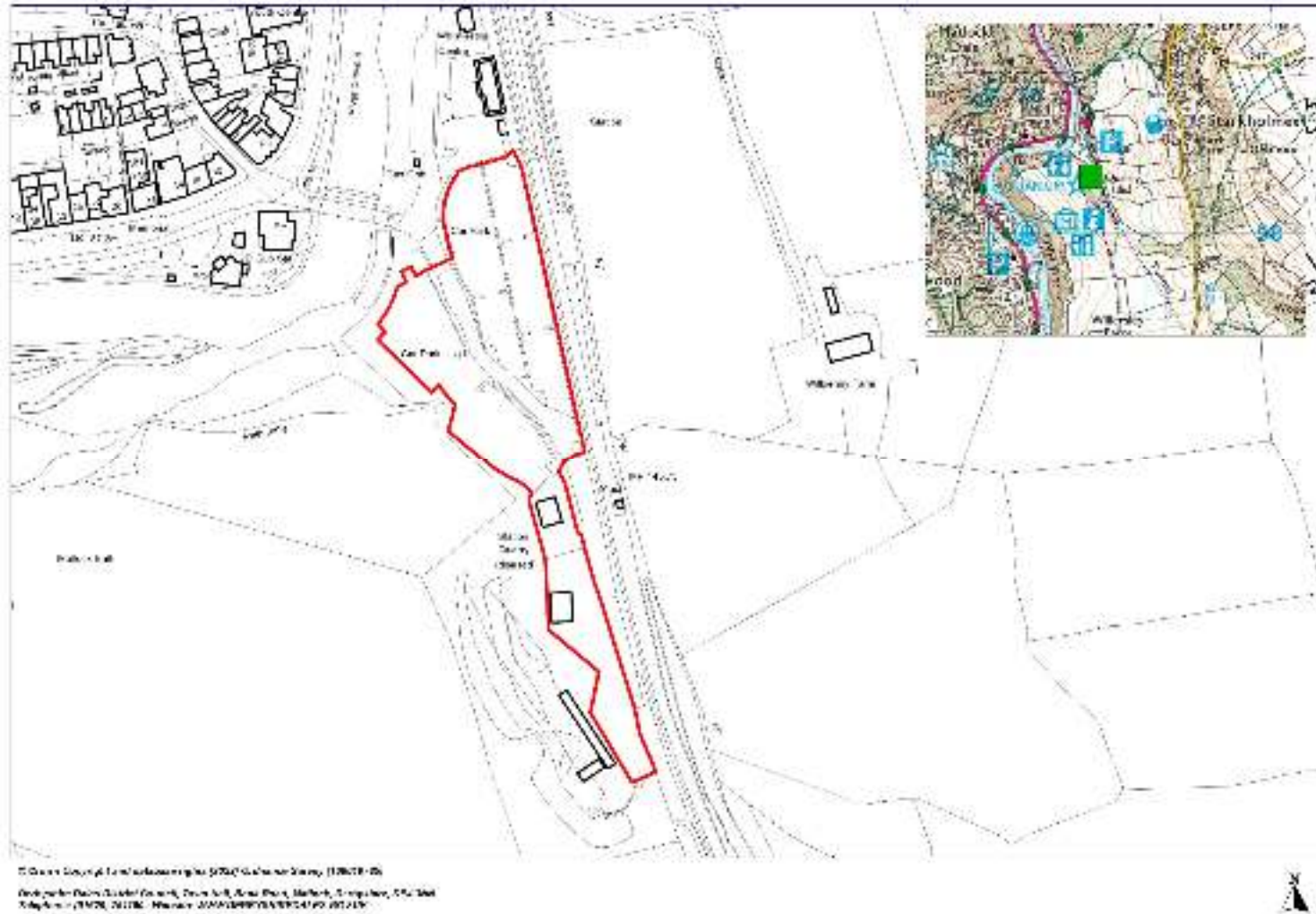
# Matlock Station Car Park

399



# Matlock Bath Station Car

[Redacted]

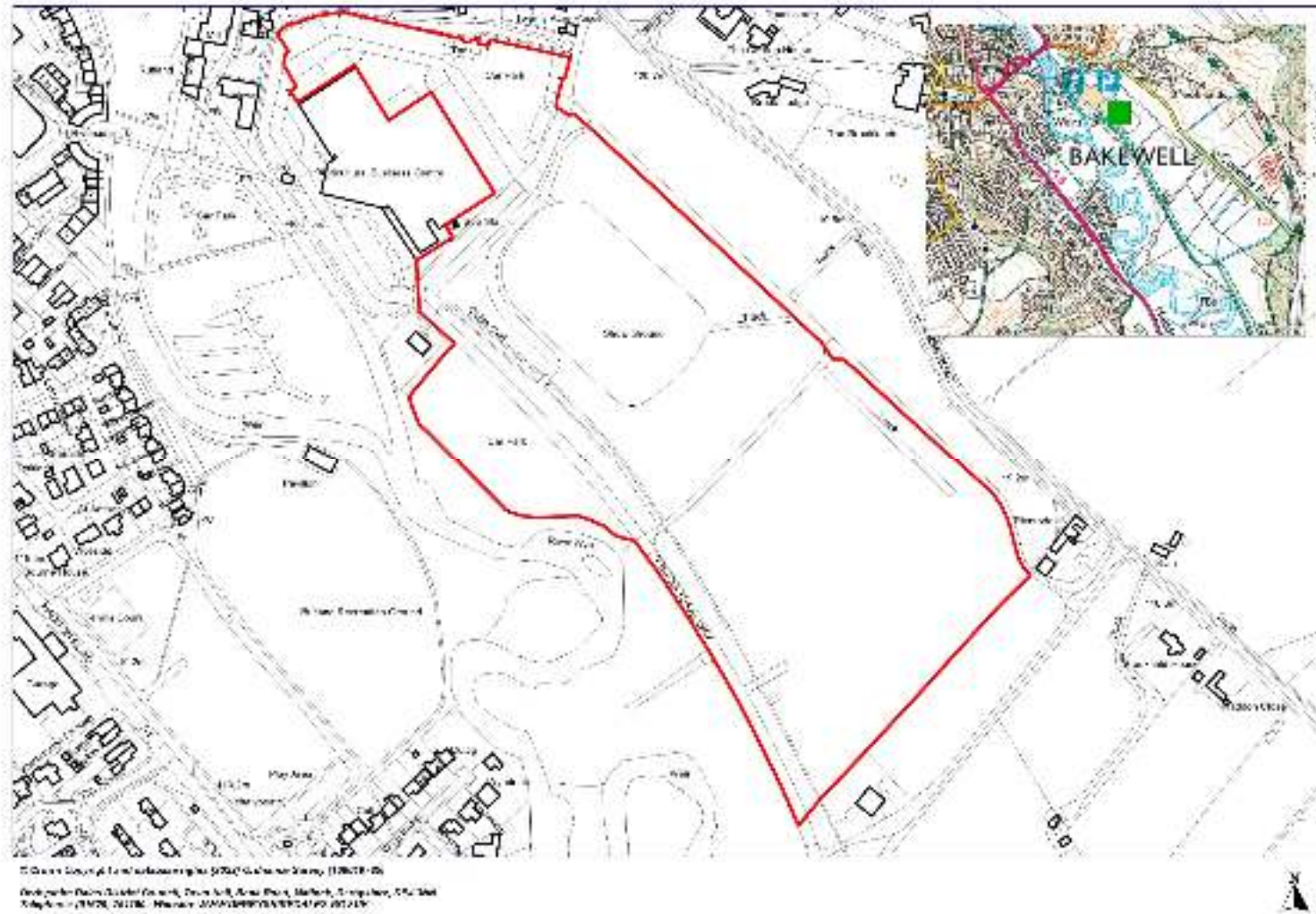


400

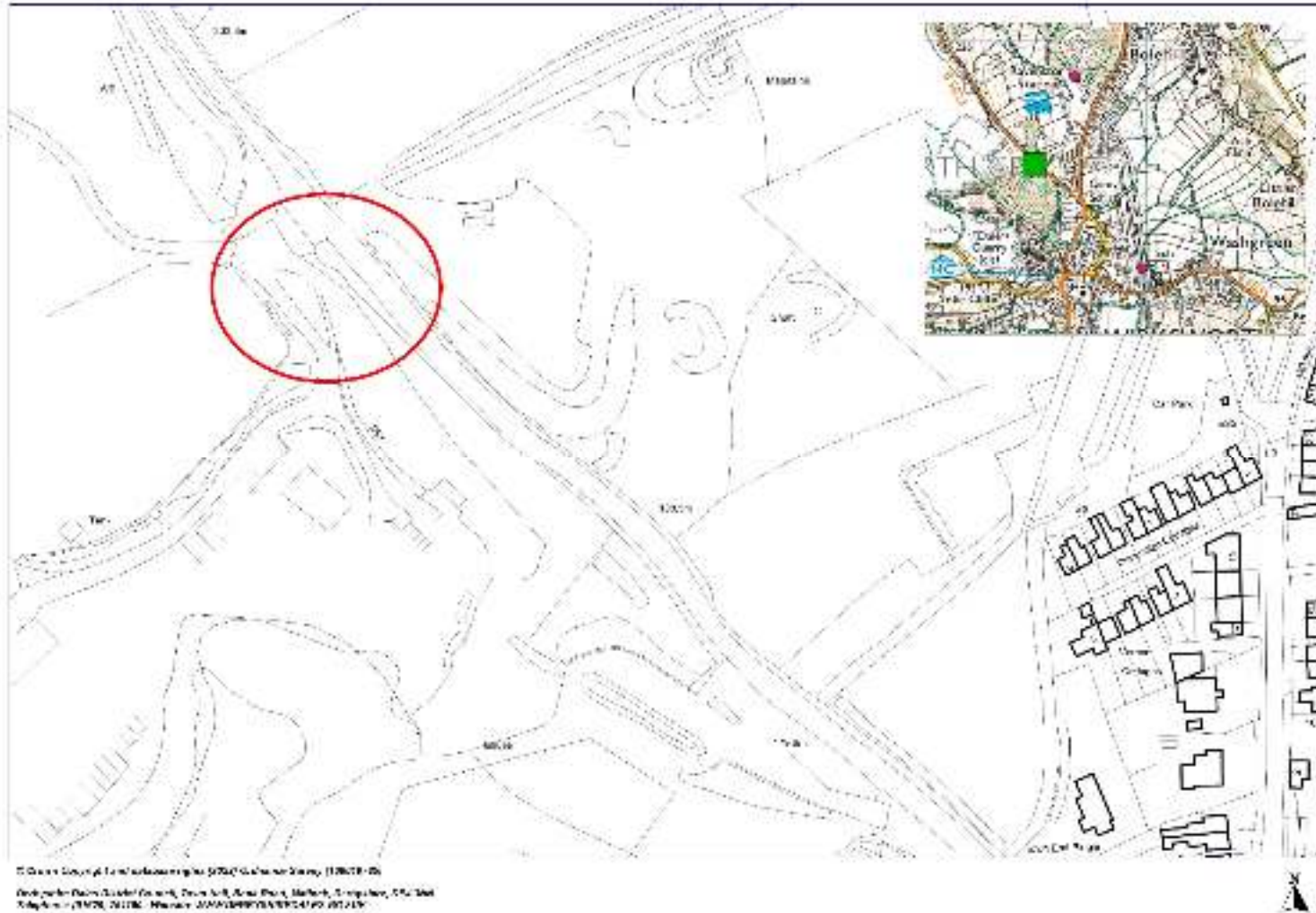


# Bakewell ABC

401



# Middleton Road, Wirksworth



402



# Concluding Thoughts .....

- There is an immediate need to identify a site in the South [REDACTED] of a Traveller family to whom we owe a legal duty.
- What level of support are the Council prepared to provide to the two families e.g. water, toilet facilities, refuse collection.
- How do we move the issue forward?

# Next Steps .....





**Residentially**  
CHARTERED SURVEYORS

# TAX INVOICE

[REDACTED]  
 Derbyshire Dales District Council  
 Town Hall  
 Bank Road  
 Matlock  
 Derbyshire  
 DE4 3NN  
 GBR

**Invoice Date**  
16 Nov 2022

**Account Number**  
DER01

**Invoice Number**  
16.11.DER14.MG2106

**Reference**

[REDACTED]

**VAT Number**  
970260039

Residentially Limited  
 6 Manor Park  
 Church Road  
 Great Barton  
 Suffolk  
 IP31 2QR  
 Tel 01284 788288

Item	Description	Amount GBP
Valuation Report	[REDACTED]	1,550.00
	Subtotal	1,550.00
	TOTAL VAT 20%	310.00
	<b>TOTAL GBP</b>	<b>1,860.00</b>

**Due Date: 30 Nov 2022**

Please make payment by BACS to:

[REDACTED]

Please send remittances or queries to [REDACTED]



Invoice To:  
**Derbyshire Dales DC**  
 Town Hall  
 Bank Road  
 Matlock  
 Derbyshire  
 DE4 3NN

Account :000496  
 Document :DINV/00034224  
 Date :11/01/2023  
 Reference:TRAVELLERS SITE  
 WORKS

Description	Nett	Vat
Travellers Site Works	2000.00	STD
Feasibility work including pre-app for the proposed travellers site- work in accordance with the agreement 12.07.22 For the attention of Rob Cogings Director of Housing		
Additional Disbursements	179.99	STD
Pre application Fee (STWA)	278.00	STD

Terms : 30 Days

Due Date: 10/02/2023

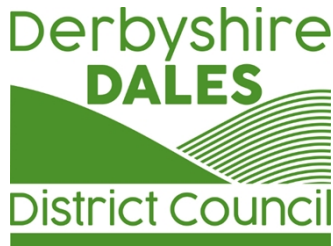
Goods:	2457.99
VAT:	491.60
Invoice Total:	2949.59

Please make BACS payments to [REDACTED]  
 Please make cheques payable to NCHA Ltd. Please quote account number and invoice number on all payments. For credit / debit card payments please phone [REDACTED]



Vat Reg No: 859 7959 34

'Nottingham Community Housing Association Limited is a charitable community benefit society, registered with the Financial Conduct Authority under number 7104'



Please ask for:  
Direct Dial No  
My Ref.  
E-mail

[REDACTED]  
22/01208/PREAPP  
[PreApp@derbyshiredales.gov.uk](mailto:PreApp@derbyshiredales.gov.uk)

29th November 2022

[REDACTED]  
Nottingham Community Housing Association  
12-14 Pelham Road  
Nottingham  
NG5 1AP

**REFERENCE NO :** 22/01208/PREAPP  
**APPLICANT :** Rob Coggings  
**DEVELOPMENT :** Proposed travellers site with 4 pitches & associated ancillary buildings and car parking  
**LOCATION :** [REDACTED]  
**CASE OFFICER:** [REDACTED]

Date of appraisal: 29th November 2022.

I refer to your request for pre-application advice, which was registered on the 1st November 2022 under application number 22/01208/PREAPP and our meeting on site on the 18th November 2022.

The pre-application enquiry relates to the provision of a traveller site, comprising 4 permanent pitches & associated ancillary buildings at the site and is accompanied by site location and proposed block plans.

The Adopted Derbyshire Dales Local Plan (2017) is the current development plan for the area. Within this plan the application site is located within the countryside and accordingly the principle of development falls to be considered against Policy S4 of the Adopted Derbyshire Dales Local Plan (2017) which lists a number of circumstances where development may be supported.

Policy S4 of the Adopted Derbyshire Dales Local Plan (2017) advises that new development proposal within the open countryside should protect and where possible, enhances the landscape's intrinsic character and distinctiveness, including the character, appearance and integrity of the historic and cultural environment and the setting of the Peak District National Park whilst also facilitating sustainable rural community needs,

**Paul Wilson, MCD, Dip TP, Dip Mgmt, MRTPI**  
**Chief Executive**

Town Hall, Bank Road, MATLOCK, Derbyshire DE4 3NN  
For general enquiries telephone 01629 761100 or visit [www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk)



tourism and economic development. Criterion (i) of Policy S4 is applicable to this enquiry as it supports development of Gypsy and Traveller sites in accordance with Policy HC6 of Adopted Derbyshire Dales Local Plan (2017). Policy HC6 of the Adopted Derbyshire Dales Local Plan (2017) identifies the District Councils obligation to provide for a minimum of 9 Gypsy and Traveller pitches for the period of 2013 - 2033. This was identified through a Gypsy and Traveller Accommodation Assessments (GTAA's) in June 2015 and covered Derbyshire and East Staffordshire jointly.

The Local Plan in 2017 identifies a 0.3ha site in Ashbourne (Land at Watery Lane) as a suitable site to meet 6 of the 9 pitches required. However this site has not, and is unlikely to come forward for development in the near future because the County Council resolved that the acquisition or disposal of property in their ownership, which may be impacted by a future A515 by-pass for Ashbourne should be suspended. Notwithstanding this, Policy HC6 sets out that for all other proposals for Gypsy and Traveller sites not allocated in the Derbyshire Dales Local Plan a criteria based approach to the determination of planning applications for such facilities will be considered and states that the Council will ensure that a five-year supply of specific deliverable sites for Gypsies and Travellers is maintained throughout the lifetime of the plan. This is consistent with the Government's Planning Policy for Traveller Sites (PPTS) 2015 which states that local planning authorities should identify, and update annually, a 5-year supply of specific deliverable sites. Paragraph 7(b) of the PPTS states that local planning authorities should prepare and maintain an up-to-date understanding of the likely accommodation needs of their areas over the lifespan of the development plan.

In the determination of applications for Gypsy and Traveller sites policy HC6 advises that the following considerations will be taken into account:

- a) the proposal will not have a significant detrimental impact on neighbouring residential amenity or other land uses
- b) the site has safe and satisfactory vehicular and pedestrian access to the surrounding principal highway network and would not result in a level of traffic generation which is inappropriate for roads in the area
- c) the site is situated in a suitable location in terms of local amenities and services including schools, shops, health services, and employment opportunities to allow access by sustainable means
- d) the site is capable of providing adequate on-site services for water supply, mains electricity, facilities for recycling and waste disposal and foul and surface water drainage
- e) the site will enable vehicle movements, parking and servicing to take place, having regard to the number of pitches/plots and their requirements as well as enabling access for service and emergency vehicles
- f) the site is not situated within an area at high risk of flooding
- g) the development is well planned and incorporates soft landscaping measures in order to mitigate the impact upon the character or appearance of the local area, the landscape or sites/areas of nature conservation value or heritage assets
- h) the site is capable of providing adequate levels of privacy and residential amenity for site occupiers
- i) the site is suitable taking account of ground conditions, land stability and other environmental risks and nuisances, with appropriate mitigation secured prior to occupation.

**Paul Wilson, MCD, Dip TP, Dip Mgmt, MRTPI**  
**Chief Executive**

Town Hall, Bank Road, MATLOCK, Derbyshire DE4 3NN  
For general enquiries telephone 01629 761100 or visit [www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk)

A new Derby, Derbyshire, Peak District National Park Authority and East Staffordshire Gypsy and Traveller Accommodation Assessment is currently being carried out and is in draft form. Although this could change, it indicates a provisional need to provide 8 pitches up to 2025 and a further 5 pitches up to 2040 in the Derbyshire Dales District, in addition to the 4 occupied permanent pitches within the Derbyshire Dales District at Land East of Grove Lane, Somersal Herbert which were allowed at appeal. I note from our site meeting that the site, the subject of this enquiry, has come forward as part of the recent call for sites exercise. At this time the District Council cannot demonstrate a five year supply of available sites to meet an identified formal local target (in terms of the need that is underpins the current Development Plan and the draft Gypsy and Traveller Accommodation Assessment).

Paragraph 4 of the National Planning Policy Framework (2021) states that it should be read in conjunction with the Government's Planning Policy for Traveller Sites (PPTS) and that decisions on traveller sites should also have regard to the Framework so far as relevant. The Planning Policy for Traveller Sites (PPTS) sets out the Government's overarching aim to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life of travellers while respecting the interests of the settled community. The PPTS includes policies on plan-making and on decision-taking. Paragraph 24 of the PPTS (2015) states that when considering planning applications local planning authorities (LPAs) should consider the existing level of local provision and need for sites amongst other criteria. Policy H, para 27 of the PPTS (2015), states that the absence of a 5-year supply of deliverable sites should be a significant material consideration in any subsequent planning application when considering applications for the grant of temporary planning permission. There is no presumption that a temporary grant of planning permission should be granted permanently. The lack of a 5-year supply of deliverable sites to meet identified needs however, weighs in favour of the development and there is a requirement for applications to be assessed and determined in accordance with the presumption in favour of sustainable development.

Paragraph 24 of the PPTS also requires local planning authorities (LPAs) to consider the availability (or lack) of alternative accommodation for the applicants, other personal circumstances of the applicant and advises that LPAs should determine applications from any travellers and not just those with local connections. Finally Paragraph 24 of the PPTS requires local planning authorities (LPAs) to consider the locally specific criteria used to guide the allocation of sites in plans or which form the policy where there is no identified need for pitches/plots should be used to assess applications that may come forward on unallocated sites. The criteria set out in Policy HC6 is therefore relevant in this respect.

As discussed, having regard to the above guidance and the objective criteria set out in Policy HC6 of the Adopted Derbyshire Dales Local Plan, there are concerns with regard to compliance with criteria c) and g). The scale of the proposed development is such that it would not result in a level of traffic that would be inappropriate for roads in the area in my view. You may wish to make separate enquiries with the Local Highway Authority with regard to whether the site will be served by a safe and satisfactory vehicular and pedestrian access off the existing access serving the complex of buildings at [REDACTED] [REDACTED]. I note that services to the pitches can be provided and I am satisfied that the other criteria could be complied with based on the level of development proposed.

**Paul Wilson, MCD, Dip TP, Dip Mgmt, MRTPI**  
**Chief Executive**

Town Hall, Bank Road, MATLOCK, Derbyshire DE4 3NN  
For general enquiries telephone 01629 761100 or visit [www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk)

In terms of compliance with Part c) of Policy HC6 and guidance contained within the National Planning Policy Framework regarding sustainability of location it is not considered that the site is a suitable one for traveller pitches in terms of access to local amenities and services including schools, shops, health services, and employment opportunities to allow access by sustainable means. This assessment aligns with the PPTS which requires that local planning authorities should very strictly limit new traveller site development in the open countryside that is 'away from' existing settlements or outside areas allocated in the development plan. The nearest settlement is ■■■■■, which is some 1.5km away to the south of the site. The basic limited services within the village, comprising a primary school, small village store and public house can only be accessed by an unlit country lane with no dedicated footways. The site does not therefore meet the objectives of criteria c) and national guidance in my view.

Criteria g) of Policy HC6 of the development plan requires that the development is well planned and incorporates soft landscaping measures in order to mitigate the impact upon the character or appearance of the local area, the landscape or sites/areas of nature conservation value or heritage assets. I note that the amenity buildings have been grouped and have an agricultural appearance. This design approach is considered to minimise the impact on the landscape, particularly when viewed with the existing agricultural storage building adjacent to the site. The addition of caravans and associated infrastructure (hardstanding etc) is likely to result in some harm to the character and appearance of this part of the countryside and local landscape. I would encourage supplementary planting to filter views of the development and that any application is accompanied by a proportionate landscape and visual impact assessment.

In summary it is recognised that there is a clear need for traveller sites in the district and that the council does not have a five year supply of sites at this time. The provision of 4 no. pitches therefore weighs in favour of the development. However, the unsustainable location of the site and the potential effects of the development on the local landscape / character and appearance of this part of the countryside are a concern. Whilst consideration can be given to the personal circumstances of the occupants of the pitches with regard to the need for a site away from existing settlements, this would be unlikely to outweigh the above concerns in my view. Notwithstanding the above, any application that you may decide to submit is likely to be considered sensitive by the Development Manager and, in this respect, require planning committee consideration regardless of the number of representations received (which is another trigger for planning committee consideration).

Should you decide to proceed with a planning application, I would advise that the application includes:

- The relevant fee - which would be the higher of operation development or the floorspace of buildings
- Site location plan
- Block plan
- Proposed site layout plan, including details of hard and soft landscaping
- Proposed amenity buildings floor layout and elevations plan
- Topographical survey and details of any engineering works
- A proportionate landscape and visual impact assessment, and

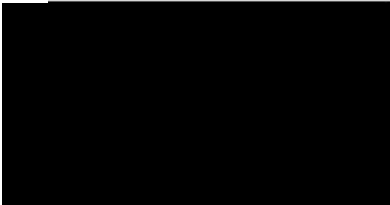
**Paul Wilson, MCD, Dip TP, Dip Mgmt, MRTPI**  
**Chief Executive**

Town Hall, Bank Road, MATLOCK, Derbyshire DE4 3NN  
For general enquiries telephone 01629 761100 or visit [www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk)

- A support statement setting out the merits of the proposal, having regard to the location of the site and any personal circumstances of the intended occupants.

As you will appreciate the above comments represent the views of an officer and do not prejudice any formal decision made by the Local Planning Authority in respect of any application you may decide to submit.

Yours faithfully



Development Manager

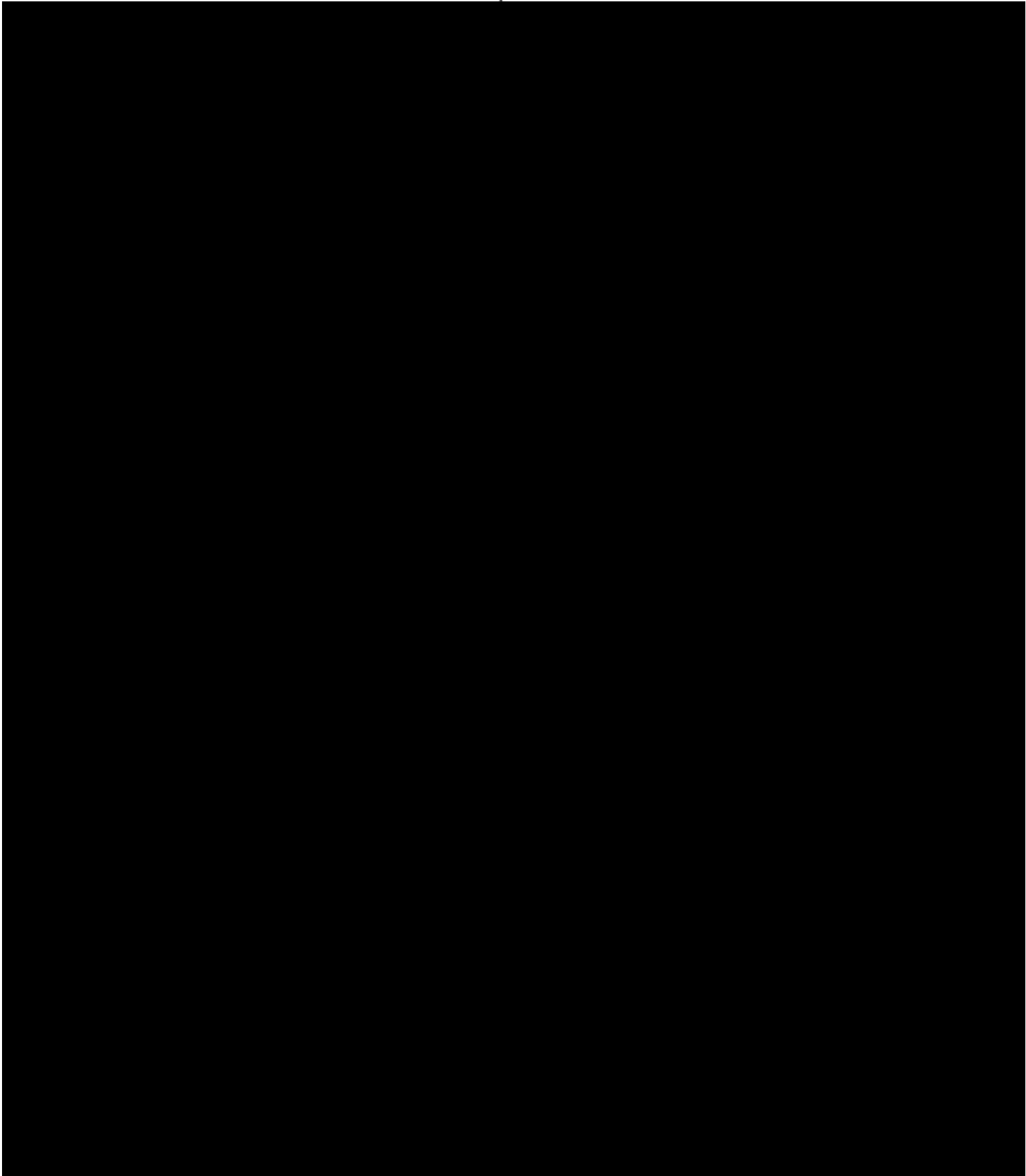
**Paul Wilson, MCD, Dip TP, Dip Mgmt, MRTPI  
Chief Executive**

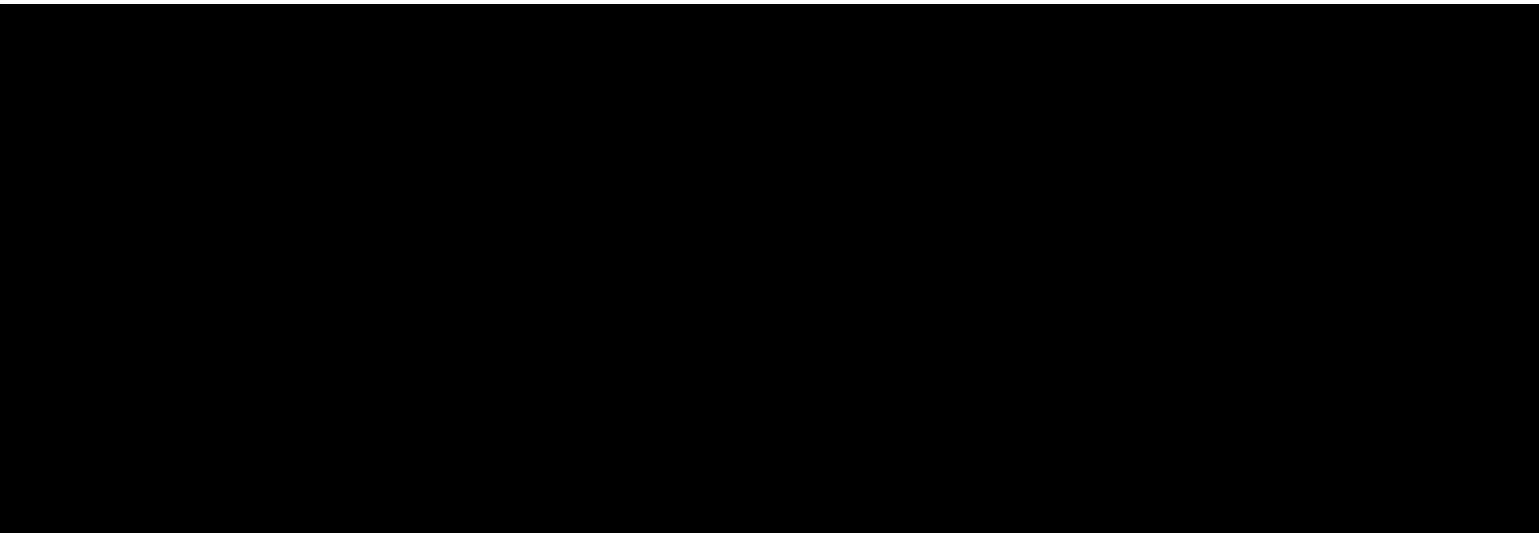
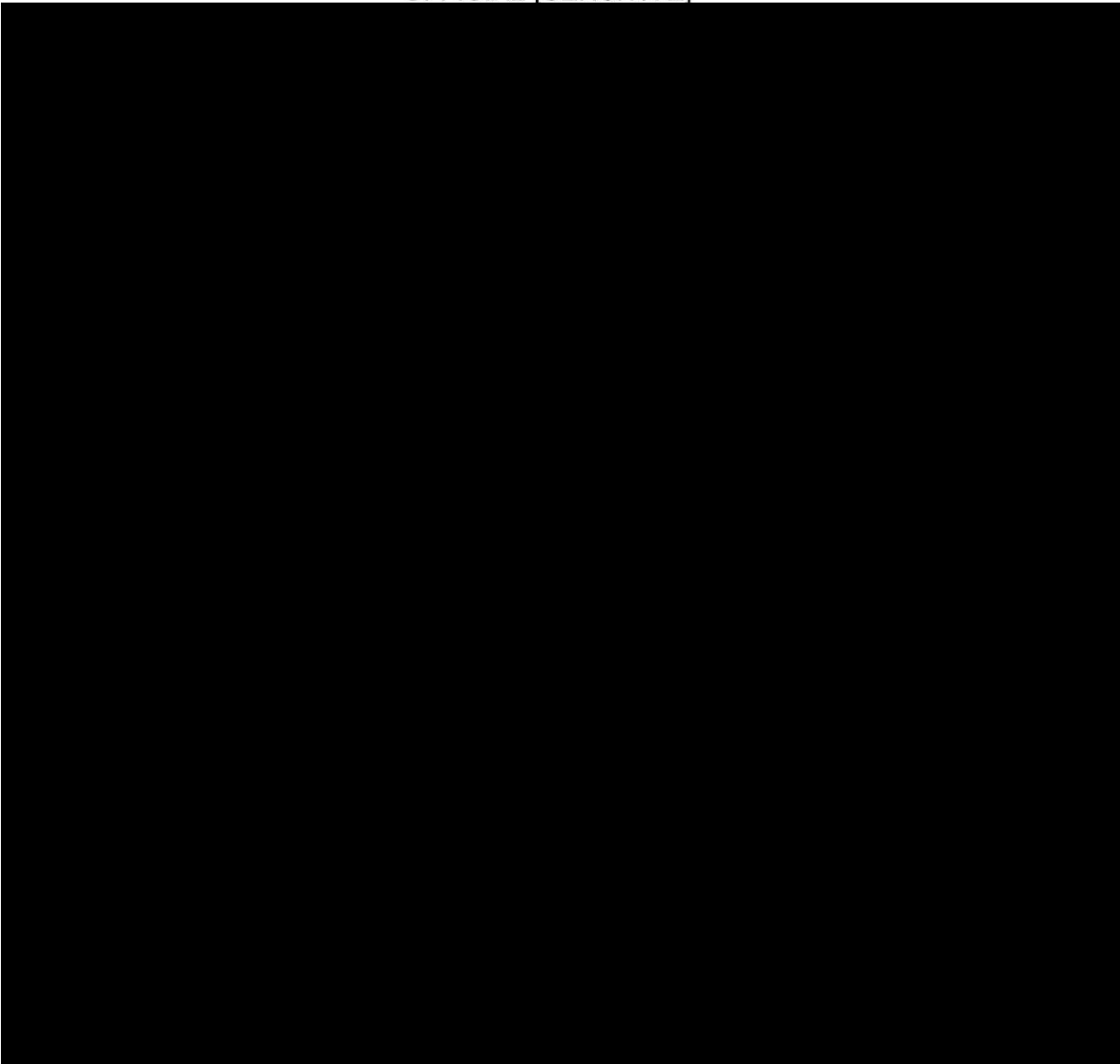
Town Hall, Bank Road, MATLOCK, Derbyshire DE4 3NN  
For general enquiries telephone 01629 761100 or visit [www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk)

OFFICIAL-[SENSITIVE]

**IMPORTANT – THIS COMMUNICATION AFFECTS YOUR PROPERTY  
TOWN AND COUNTRY PLANNING ACT 1990  
(as amended by the Planning and Compensation Act 1991)  
PLANNING CONTRAVENTION NOTICE**

**ISSUED BY: DERBYSHIRE DALES DISTRICT COUNCIL (“the Council”)**





**Wilson, Paul**

---

**From:** [REDACTED]  
**Sent:** 21 February 2023 13:07  
**To:** [REDACTED]; Flitter, Steve; Ratcliffe, Mike; Buttle, Neil; [REDACTED]  
**Cc:** Wilson, Paul; Braund, Tim; [REDACTED] Cogings, Robert  
**Subject:** [OFFICIAL (SENSITIVE)] [REDACTED] - DRAFT statement

**Importance:** High

Dear Group Leader,

It was agreed at last night's working group that you would be given the opportunity to sign off the authority's statement on [REDACTED].

Here is a draft:

**Derbyshire Dales District Council has renewed its appeal to local landowners to come forward with suggestions for a permanent Traveller site after deciding not to pursue further farmland that had been under discussion at [REDACTED], near Wirksworth.**

**It had originally been envisaged that officers would present a report on the [REDACTED] site to a full meeting of the council on 16 March, but the authority has now agreed as part of its due diligence process that the site is not financially viable or sustainable and that it would not have been possible to take a positive recommendation to the meeting.**

**A spokesperson said: "This isn't the first time that a potential commercial land negotiation has failed at this stage. What makes this case unusual is the public interest in this particular site ahead of the start of the democratic process and a process of public consultation.**

**"We would add only that the preliminary discussions and evaluations that have taken place over recent months are no different to discussions that take place on many potential development opportunity sites and that the process to date has been carried out properly and would have included extensive public consultation had the proposal been taken forward for Council decision and a possible planning application."**

For your information, unfortunately someone has leaked the agreed outcome of last night's session to Sarah Dines, who is publicising it on her social media channels – ahead of the conversations we planned to have with the Traveller family and [REDACTED] before issuing a statement.

Kind regards,

[REDACTED]

[REDACTED]  
 Communications & Marketing Manager



Town Hall | Matlock | Derbyshire, DE4 3NN

[www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk) | [newsletter](#) | [map](#)







# Agenda Item 13

**OPEN REPORT  
GOVERNANCE AND RESOURCES COMMITTEE**

---

**Governance and Resources Committee – 15 February 2024**

## **REVIEW OF THE WHISTLEBLOWING POLICY**

**Report of Director of Corporate and Customer Services (Monitoring Officer)**

### **Report Author and Contact Details**

Helen Mitchell, Director of Corporate & Customer Services (Monitoring Officer)  
01629 761281 or helen.mitchell@derbyshiredales.gov.uk

### **Wards Affected**

District-wide

### **Report Summary**

This report provides an overview of the proposed implementation of a revised Whistleblowing Policy and seeks approval and adoption of the revised policy.

### **Recommendations**

1. That the Whistleblowing Policy be approved
2. That authority be delegated to the Director of Corporate and Customer Services, in consultation with the Chair of the Governance and Resources Committee, to review and make minor amendments to the Whistleblowing Policy to reflect changes in legislation, statutory guidance or contact details when introduced.

### **List of Appendices**

Appendix 1 Draft Whistleblowing Policy

### **Background Papers**

Not applicable

### **Consideration of report by Council or other committee**

No

### **Council Approval Required**

Yes

### **Exempt from Press or Public**

No

## **Review of the Whistleblowing Policy**

### **1. Background**

- 1.1 The council maintains a Whistleblowing Policy and Procedure which outlines the legal obligations the council is under pursuant to the Employment Rights Act 1996, as amended. The policy and procedure provides information, guidance and a procedure by which a “worker” (a term that covers council employees and former employees, contractors and agency workers) can make a “protected disclosure” – a “whistleblow”.
- 1.2 A “protected disclosure” is made where a worker raises concerns, which in the reasonable belief of the worker are in the public interest, and which tend to show:
- That a crime has been committed, is being committed, or is likely to be committed.
  - That a person has failed, is failing, or is likely to fail to comply with any legal obligation to which he or she is subject – including contractors providing goods and services on behalf of the council.
  - That a miscarriage of justice has occurred, is occurring, or is likely to occur.
  - That the health and safety of an individual has been, is being, or is likely to be endangered.
  - That the environment has been, is being or is likely to be damaged.
  - That information tending to show any of the above has been concealed or is likely to be deliberately concealed.
- 1.3 Workers who “blow the whistle” enjoy certain legal protections. A worker making a “protected disclosure” has the legal right not to be subjected to any detriment by any act, or any deliberate failure to act, by his employer done on the ground that the worker has made a protected disclosure. An employer may also be vicariously liable for any mistreatment the worker receives from others as a result of having made a disclosure. An employer is also prevented from seeking to impose a contractual term that prevents a worker blowing a whistle, for example in a “non-disclosure agreement”.
- 1.4 Not all disclosures will be protected. The worker has to have a reasonable belief that the disclosure is made “in the public interest”.

### **2. Key Issues**

- 2.1 The Council’s existing Whistleblowing Policy was published in 2008. The last review of the policy was approved by this Committee in 2015. On this basis, the former Director of Corporate and Customer Services undertook a review of the policy and decided that an updated policy would be drafted based on that review.
- 2.2 The draft Whistleblowing Policy at Appendix 1 will, if adopted, replace the Council’s existing Whistleblowing Policy and would apply to all staff, members, consultants, partners, agency staff and contractors of Derbyshire Dales District Council.

- 2.3 The policy sets out how the Council will handle and respond to any such allegations and seeks to:
- (a) encourage employees and members of the public and/or their representatives to feel confident in raising concerns or allegations in the public interest about suspected serious wrongdoing in the Council and its services without fear of reprisals or victimisation even where the concern or allegations are not subsequently confirmed by the investigation;
  - (b) give a clear message that allegations of serious wrongdoing or impropriety are taken seriously;
  - (c) ensure that where the disclosure proves to be well founded, the individuals responsible for such serious wrongdoing will be held accountable for their actions;
  - (d) set out what employees and members of the public can expect by way of confidentiality and protection when making a whistleblowing disclosure; and
  - (e) identify independent support for employees who wish to make a whistleblowing disclosure.

### **3. Options Considered and Recommended Proposal**

- 3.1 Do nothing – the Committee could choose to retain the current policy provisions and not to approve the revised Whistleblowing Policy. However it is recommended that this option is not pursued to ensure that the Council has an up to date policy in place that is clear and easily understood.
- 3.2 It is recommended that the draft Whistleblowing Policy is approved and adopted to ensure that Council’s policy remains fit for purpose and compliant with the law and best practice. It also contributes to the overriding principle of demonstrating openness and transparency in the way that the authority responds to concerns raised.

### **4. Consultation**

- 4.1 The Corporate Leadership Team has been consulted on the provisions of the policy and has considered it in view of whistleblowing concerns raised in recent years.
- 4.2 The Council’s Employee Group and JCG have also received this report and support the Council’s approach.

### **5. Timetable for Implementation**

- 5.1 The proposed policy will be effective following approval by the Committee. In the event of such approval, the Policy and Process will be ‘launched’ via our internal communications processes to ensure it is accessible to all our employees

### **6. Policy Implications**

- 6.1 In basing the Whistleblowing Policy within the strategic context of the Corporate Plan and as part of our culture it is intended to ensure that this

revised Policy (and associated Processes) are consistent with delivering the Council's overall vision.

## **7. Financial and Resource Implications**

- 7.1 There are no specific financial or resources implications arising from the body of this report.

## **8. Legal Advice and Implications**

- 8.1 The statutory basis for whistleblowing is contained in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998). It provides the right for a worker to take a case to an employment tribunal if they have been victimised at work or they have lost their job because they have 'blown the whistle'.

- 8.2 The legislation does not require an employer to adopt a Whistleblowing Policy. However, the Secretary of State has published best practice Guidance for Employers on Whistleblowing (Department for Business Innovation & Skills Whistleblowing Code of Practice) that provides that the existence of a policy shows an employer's commitment to listen to the concerns of its workers. Such concern is also demonstrated by responding to concerns when they are raised, and by monitoring and reporting on the operation of the policy as this report does.

- 8.3 The revised Whistleblowing Policy confirms the employee's statutory rights and aim to create an organisational culture where employees feel safe to raise a concern in the knowledge that they will not be victimised if raise their concerns.

## **9. Equalities Implications**

- 9.1 The Council has to give due regard to its Equalities Duties, in particular with respect to general duties arising pursuant to the Equality Act 2010, section 149. Having due regards to the need to advance equality involves, in particular, the need to remove or minimise disadvantages suffered by persons who share a relevant characteristic that are connected to that characteristic. The protected characteristics are Age; Disability; Gender Reassignment; Pregnancy and maternity; Race; or Religion or belief; Sex and Sexual Orientation.

- 9.2 The Council has considered the relevance of the proposal to the provisions of the Equality Act 2010 and the Human Rights Act 1998 and concluded that Equalities Duties are not engaged by this proposal. The proposal is also compatible with Human Rights Articles and as the report does not have any significant bearing on the substantive equality duty it is not considered necessary to undertake an Equality Analysis.

## **10. Climate Change Implications**

- 10.1 There are no climate change implications associated with the recommendations in this report.

## 11. Risk Management

- 11.1 A failure to maintain and monitor this process will expose the council to risk by having inadequate arrangements which offer necessary protection to employees or the council when disclosures are made.
- 11.2 The Whistleblowing Policy helps to defend against potential claims of vicarious liability which could be costly for the council.

### Report Authorisation

Approvals obtained from Statutory Officers:-

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Paul Wilson	01/02/2024
Director of Resources/ S.151 Officer	Karen Henriksen	02/02/2024
Legal Services Manager	Kerry France	05/02/2024

This page is intentionally left blank



OFFICIAL

# WHISTLEBLOWING POLICY

<b>Version History</b>			
<b>Version</b>	<b>Date</b>	<b>Detail</b>	<b>Author</b>
1.0	July 2023	Reviewed previous policy and drafted new Policy	James McLaughlin Director of Corporate and Customer Services

# **DERBYSHIRE DALES DISTRICT COUNCIL WHISTLEBLOWING POLICY**

## **1. Introduction**

- 1.1 Derbyshire Dales District Council is committed to the highest standards of honesty, openness and accountability and will not tolerate wrongdoing, malpractice, or illegality in the workplace.
- 1.2 The Council's Whistleblowing Policy is an important part of the authority's governance arrangements and has been designed to allow those employed by the Council, members of the public or organisations to come forward and disclose serious allegations of wrongdoing, malpractice or illegality involving the actions of the Council's employees, Members, contractors, or any aspect of the authority's activities. The Council is committed to treating all disclosures fairly and consistently.
- 1.3 This Whistleblowing Policy is intended enable individuals or organisations to disclose information about wrongdoing, malpractice, or illegality internally and to provide them with protection from subsequent victimisation, discrimination, or disadvantage. This will assist in detecting and deterring malpractice and, by demonstrating the Council's accountability, maintain public confidence and the Council's good reputation.

## **2. Aim of the Policy**

- 2.1 The aims of the Whistleblowing Policy are to:
  - Create a culture of zero tolerance toward fraud and corruption and deter wrongdoing.
  - Encourage employees and others with serious concerns about any aspect of the Council's work to feel confident to come forward and voice those concerns within the Council rather than ignoring a problem or 'blowing the whistle' outside.
  - Ensure concerns are raised at an early stage and in the right way ensuring that critical information gets to the people who need to know and who are able to take action so that the matter can be properly investigated.
  - Provide reassurance to those who raise concerns in the public interest and not maliciously or for personal gain, that they can do so without fear of reprisals or victimisation or disciplinary action, regardless of whether these are subsequently proven.
  - Ensure that a response is received when concerns are raised, and it is clear how to pursue the matter if not satisfied with the response.

## **3. Scope of the Policy**

- 3.1 The Whistleblowing Policy seeks to cover all disclosures and allegations made by employees of Derbyshire Dales District Council, including temporary and agency staff.



- 3.2 This policy also extends to any other individual who wants to raise an allegation of wrongdoing, malpractice or illegality. This could include consultants, contractors, sub-contractors who are engaged in work for the Council, volunteers, Councillors, anyone who uses the Council's services or a member of the public.
- 3.3 The Whistleblowing Policy is not intended to replace existing procedures and it should not be used where other more appropriate reporting procedures are available:
- (a) If the concern relates to treatment as an employee, it should be raised under the existing Grievance Procedure
  - (b) If the concern is about services provided, it should be raised under the Complaints Procedure
  - (c) If the concern is regarding the behaviour of a District Councillor, it should be raised under the Code of Conduct complaints process.

#### **4. What is Whistleblowing?**

- 4.1 In this policy 'whistleblowing' means the confidential reporting by an individual of any concerns relating to a perceived wrongdoing involving any aspect of the Council's work or those who work for the Council. This includes reporting of suspected wrongdoing, malpractice or illegality within the Council.
- 4.2 The Public Interest Disclosure Act 1998 (PIDA 1998), known as the whistleblowing law, is designed to encourage and enable employees to "speak out" and to report suspected wrongdoing at work. This is commonly known as "blowing the whistle". The PIDA protects employees (including temporary workers and agency staff) from any detriment from their employer or colleagues that arises as a result of making a "protected disclosure" (a qualifying disclosure) in the public interest. This includes protection from harassment, victimisation or dismissal by their employer.
- 4.3 A qualifying disclosure means any disclosure which in the reasonable belief of the employee shows the following:
- That a criminal offence has been committed, is being committed or is likely to be committed
  - That a person has failed, is failing or is likely to fail to comply with a legal obligation to which they are subject
  - That a miscarriage of justice has occurred, is occurring or is likely to occur
  - That the health and safety of an individual has been, is being or is likely to be endangered
  - That the environment has been, is being or is likely to be damaged
  - That any of the above matters are being or are likely to be deliberately concealed

4.4 Personal grievances are not covered by this Policy and instead should be dealt with under the Council's Grievance Procedure.

## **5. Whistleblowing by Employees**

### **5.1 Who should concerns be raised with?**

5.1.1 All employees should ensure that they remain aware of this Whistleblowing Policy and use it where they have concerns about wrongdoing, malpractice or illegality internally.

Under this Policy employees should raise their concerns with:

- (a) Their line manager
- (b) Where this is inappropriate, (e.g. because it is believed the line manager is involved) their Director
- (c) Where (a) and (b) are inappropriate (e.g. Members or it is believed that senior management are involved), the Monitoring Officer (who is the Director of Corporate and Customer Services), or
- (d) If the concern is regarding financial irregularities or fraud, the Director of Resources

### **5.2 Protection for Employees**

5.2.1 Under the PIDA 1998, employees are protected when they make a qualifying disclosure. This applies where the employee:

- Makes the disclosure in good faith
- Reasonably believes that the disclosure they are making is in the public interest, and
- Reasonably believes that the information detailed and any allegation in it are substantially true

5.2.2 The PIDA 1998 makes it unlawful for the Council to dismiss anyone or allow them to be victimised on the basis that they have made an appropriate lawful disclosure in accordance with the Act.

5.2.3 The Council recognises that the decision to report a concern can be a difficult one to make. If an employee honestly and reasonably believes what they are saying is true, they should have nothing to fear because they will be doing their duty to their employer, their colleagues and those for whom they are providing a service. Indeed, employees are encouraged to report concerns, particularly where a potential criminal offence has been committed.

5.2.4 The Council will not tolerate any harassment or victimisation of a whistleblower (including informal pressures) and will take appropriate action to protect an employee when they raise a concern in good faith. Any harassment or victimisation of a whistleblower will be treated as a serious

disciplinary offence which will be dealt with under the Disciplinary Procedure.

### 5.3 Support to Employees

5.3.1 An employee may wish to consider discussing their concerns confidentially with a colleague first and may find it easier to raise the matter if there are two (or more) employees who have had the same experience or concerns.

5.3.2 An employee may discuss their concerns confidentially with their trade union representative. They may also invite their trade union or other representative to be present during any meetings or interviews in connection with the concerns they have raised.

5.3.3 Any employee making a qualifying disclosure under this Policy:

- Will be given full support from senior management and
- The Council will do all it can to help them throughout the investigation. This may include consideration of temporary redeployment for the period of the investigation, if appropriate.

5.3.4 Any employee thinking about raising a concern can refer to the guidance from the Government or ACAS for further information and obtain confidential advice from Protect (formerly Public Concern at Work).

## **6. Whistleblowing by Contractors, Service Users, Members of the Public**

### 6.1 Who should concerns be raised with?

6.1.1 Under this Policy consultants, contractors, sub-contractors who are engaged in work for the Council, volunteers, Councillors, anyone who uses the Council's services or a member of the public can still contact the Council to report any concerns or disclosures of wrongdoing. They should raise concerns with:

- (a) The Monitoring Officer, or
- (b) If the concern is regarding financial irregularities or fraud, the Director of Resources

### 6.2 Protection and Support

6.2.1 The protection under the PIDA 1998 does not extend to disclosure made by those who are not District Council employees. For those who are not District Council employees, the Council will endeavour to provide appropriate advice and support wherever possible.

## **7. Examples of issues that may be raised**

7.1 This policy is intended to cover major concerns that may fall outside the scope of other procedures. The following are examples and are not intended to be an exhaustive list.

- Health and safety risks, including risks to the public as well as other employees
- Abuse of children and vulnerable adults
- Sexual or physical abuse of both employees and clients
- Damage to the environment
- Unauthorised use of public funds
- Theft or abuse of Council property
- Possible fraud and corruption
- Other unethical conduct

## **8. How to raise a concern**

8.1 Concerns may be raised verbally or in writing, although it is better if it is provided in writing and an online form is available. The earlier a concern is raised, the easier it will be for the Council to take action. Any person reporting a concern should provide as much information as possible, including:

- Their name and contact details
- Who the concerns relate to
- Full details of the nature of the alleged wrongdoing and why it is believed to be true, and
- Evidence in support (including copies of any documents, dates and information relating to relevant events).

8.2 It is not expected that the individual proves their suspicions beyond doubt, however they will need to demonstrate that they have a genuine concern relating to suspected wrongdoing or malpractice within the Council and there are reasonable grounds for that concern.

## **9. Confidentiality**

9.1 All concerns will be treated in confidence and every effort will be made not to reveal the identity of the individual raising concerns, if that is their wish. However, it is recognised that if disciplinary or other proceedings follow the investigation, it may not be possible to take action without the individual who has raised concerns coming forward as a witness.

## **10. Anonymous Allegations**

10.1 The Council recognises that there may be circumstances where individuals are worried about being identified when they report concerns, particularly where they are an employee. However, this policy encourages individuals

to put their name to an allegation wherever possible as the Council believes that open or confidential whistleblowing is the best means of addressing the concerns and protecting individuals. Where an individual does not provide their name, it will be much more difficult for the Council to support and protect their position or to give them feedback. It will also be more difficult for the individual to qualify for protection under the PIDA 1998. This is because there would be no documentary evidence linking them to the disclosure for the Employment Tribunal to consider.

10.2 In addition concerns expressed anonymously are more difficult to investigate, and harder to substantiate. Anonymous allegations will be considered at the discretion of the Monitoring Officer in conjunction with the Director of Resources taking into account the following factors:

- The seriousness of the issues raised
- The credibility of the concern
- The same or similar concerns being received, and
- The likelihood of confirming the allegations from other credible sources

10.3 Where anonymous allegations are investigated, the individual may seek feedback through a telephone appointment or by using an anonymised email address. A reference will be provided to the individual reporting concerns to ensure safeguards are in place to ensure feedback is given to them and not a third party.

## **11. Untrue Allegations**

11.1 If an allegation is made which is frivolous, vexatious, malicious or for personal gain, the Council make take appropriate action that could include disciplinary action.

## **12. How the Council will respond**

12.1 The Council will endeavour to respond to concerns raised as quickly as possible. If a name and contact details have been provided, the person with whom the concerns are raised will formally acknowledge receipt within 5 working days of the concerns being received.

12.2 In order to be fair to all employees, including those who may be wrongly or mistakenly accused, initial enquiries will be made to decide whether an investigation is appropriate, and if so, what form it should take. The overriding principle for the Council will be the public interest.

12.3 Where appropriate, the concerns raised may be:

- Investigated by management, by Internal Audit or through the disciplinary process.
- Referred to Derbyshire Police

- Referred to the External Auditor.
  - The subject of an independent inquiry
  - Resolved by agreed action without the need for investigation, or
  - Deemed not to be sufficient to warrant an investigation
- 12.4 Disclosures for which there are other specific procedures (for example, child protection, safeguarding or discrimination issues) will normally be referred for consideration under those procedures.
- 12.5 If a name and contact details have been provided, the person with whom the concerns are raised will within 10 working days of a concern being received, confirm in writing:
- What initial enquiries have been made
  - How the matter is going to be dealt with
  - An estimate of how long it will take to provide a final response
  - Employee support mechanisms (where appropriate)
  - Why there is to be no further investigation, if appropriate
- 12.6 It is recognised that the individual who raised concerns will need to be assured that the matter has been properly addressed. Therefore, subject to legal and data protection constraints, they will be informed of the outcome of any investigation.

### **13. How the matter can be taken further**

- 13.1 This policy is intended to provide an avenue with the Council to raise concerns. The Council hopes any individuals who raise concerns will be satisfied with any action taken. If they are not, and they feel it is right to take the matter outside the Council, the following may be contacted:
- The Council's External Auditor – The Council's current external auditor is Mazars.
  - The trade union – This includes GMB and UNISON
  - Derbyshire Police
  - The Local Government and Social Care Ombudsman
  - The independent charity Protect (formerly Public Concern at Work)
  - Other relevant bodies prescribed by legislation
- 13.2 If concerns are raised outside of the Council it should be to one of these prescribed contacts. A public disclosure to anyone else could take an individual outside of the protection of the PIDA 1998 and of this policy.
- 13.3 Information that is confidential to the Council or to anyone else, such as a client or contractor of the Council, should only be shared with those included in the above list of prescribed contacts.

13.4 This Policy does not prevent an individual from taking their own independent legal advice.

**14. The Responsible Officer**

14.1 The Monitoring Officer has overall responsibility for the maintenance and operation of this policy.

**15. Corporate Recording and Monitoring**

15.1 The Monitoring Officer will maintain a corporate register containing all concerns that are brought to his/her attention. All officers to whom concerns are raised under this Policy must notify the Monitoring Officer and provide sufficient details for the corporate register.

15.2 The Monitoring Officer will review the corporate register and produce an annual report for the Governance and Resources Committee, which is responsible for the overview of this Policy.

This page is intentionally left blank