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Governance & Resources Committee

Minutes of a Governance & Resources Committee meeting held at 6.00 pm on Wednesday, 8th March, 2023 in the Council Chamber, Town Hall, Matlock, DE4 3NN.

PRESENT

Councillor Tom Donnelly - In the Chair

Councillors: David Chapman, Sue Bull, Helen Froggatt, Alyson Hill, Susan Hobson, Stuart Lees and Neil Buttle

Present as substitute – Councillor(s): David Hughes

Tim Braund (Director of Regulatory Services), Karen Henriksen (Director of Resources), Deborah Unwin (Human Resources Manager), Jenny Williams (Head of the Internal Audit Consortium), Joanna Hill (Climate Change Project Officer), Tommy Shaw (Democratic Services Team Leader) and Angela Gratton (Democratic Services Officer)

Note:

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APOLOGIES

Apologies for absence were received from Councillor(s): Dermot Murphy, Garry Purdy, Alasdair Sutton, Robert Archer, Paul Cruise, Steve Flitter, Mike Ratcliffe and Colin Swindell

319/22 - APPROVAL OF MINUTES OF PREVIOUS MEETING

18:02 pm - Councillor Neil Buttle joined the meeting

It was moved by Councillor David Chapman, Seconded by Councillor Helen Froggatt and

RESOLVED

That the minutes of the meeting of the Governance and Resources Committee held on 16 February 2023 be approved as a correct record.

Voting:

07 For

00 Against

01 Abstention

The Chairman declared the motion **CARRIED**.

320/22 - PUBLIC PARTICIPATION

There was no public participation.

321/22 - INTERESTS

There were no declarations of interest.

322/22 - QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15

No questions were submitted.

323/22 - PROPOSED NEW EMPLOYMENT POLICY - SUBSTANCE MISUSE

The Human Resources Manager introduced a report which sought approval to adopt the proposed new employment policy on Substance Misuse. It was noted that this policy was being implemented to introduce a standard and not to address an existing problem in the authority.

The proposed policy covered the misuse of illegal drugs, alcohol, prescription drugs, solvents and other substances that could adversely affect work performance and/or Health and Safety. The Human Resources Manager informed the Committee that the Council would take a balanced approach between supporting employees who may seek help with a dependency and managing misuse in order to maintain the health and safety of all employees (and others with whom they come into contact).

The proposed policy also aimed to ensure the protection of the Council's reputation and its ability to deliver high quality, effective services. Members were informed that the Council would reserve the right to implement the disciplinary procedure where a manager identifies substance misuse as a safety issue. It was also noted within the report that all staff and managers would be briefed on the processes prior to the launch of the policy, together with the list of possible sources for help.

It was moved by Councillor Susan Hobson, Seconded by Councillor David Hughes and

RESOLVED (unanimously)

That the proposed new employment Policy on Substance Misuse be adopted.

The Chairman declared the motion **CARRIED**.

18:06 – Deborah Unwin, Human Resources Manager left the meeting.

324/22 - INTERNAL AUDIT PLAN 2023/24

The Head of the Internal Audit Consortium introduced a report which presented the 2023/24 Internal Audit Plan for approval. Members were informed of the key requirement of the Public Sector Internal Audit Standards, that a periodic risk based plan should be prepared that should be sufficiently flexible to reflect the changing risks and priorities of the organisation. The risk based plan should be fixed for a period of no longer than one year, it should also outline the assignments to be carried out, their respective priorities and the estimated resources needed.

Due to the Council's Auditors leaving the Authority and an inability to recruit to these positions, the Committee were informed that the Director of Resources would be re-advertising the positions with the addition of a market supplement. As a result of these difficulties, not all 2022/23 audits had been completed and as a result the 2022/23 Internal Audit Plan had largely rolled over to 2023/24. It was noted that the days for the audits that were completed had been added to contingency, with the exception of 10 days that were allocated to climate change as a topical high risk area.

The report noted the following factors taken into account during the preparation of the plan:

- The organisation's objectives and priorities.
- Local and national issues and risks.
- The requirement to produce an annual internal audit opinion – adequate coverage of risk, governance and control arrangements.
- The Council's Strategic and Operational Risk Registers.
- The views of the Director of Resources and Corporate Leadership Team.

It was also noted that completion of the proposed plan for 2023/24 would rely on the ability to recruit internal audit staff or the implementation of other options.

It was moved by Councillor David Chapman, Seconded by Councillor Helen Froggatt and

RESOLVED (unanimously)

That the proposed internal audit plan for 2023/24 be agreed.

The Chairman declared the motion **CARRIED**.

18:12 – Jenny Williams, Head of the Internal Audit Consortium left the meeting.

325/22 - STATEMENT OF ACCOUNTS 2022/23 - APPROVAL OF ACCOUNTING POLICIES

The Director of Resources introduced a report which sought Member approval for the Accounting Policies to be used within the Derbyshire Dales District Council's Statement of Accounts 2022/23, the report highlighted any changes from the previous year. Full details of all the proposed accounting policies for 2022/23 were provided at Appendix 1 of the agenda, with proposed changes shown by red text.

The report noted the requirement for the Council to publish its Statement of Accounts by the 31st May and informed the Committee that their consideration of the Accounting Policies in advance of the production and publication of the Statement of Accounts was considered best practice.

Members were informed that it may become necessary to amend a policy during the preparation of the Statement of Accounts for 2022/23. If this were to occur, the change and the reason for the change would be reported back to the Governance & Resources Committee at its next available meeting and / or would be highlighted within the report when the Statement of Accounts is presented to Members for approval.

It was moved by Councillor Susan Hobson, Seconded by Councillor David Hughes and

RESOLVED (unanimously)

That the 2022/23 Accounting Policies be approved for use within the Statement of Accounts.

The Chairman declared the motion **CARRIED**.

326/22 - ARREARS FOR WRITE OFF 2022/23

The Director of Resources introduced a report providing members with information about debtor write offs authorised by the Director of Resources under delegated authority in accordance with the Council's Financial Regulations. The report also sought approval for the write off of individual debts exceeding £10,000 in accordance with the Council's Financial Regulations. The schedule of write offs were itemised in Appendix 1 of the agenda.

The position as at 6 February 2023 was summarised within the report, including the details of three proposed write offs over £10,000 which required the Committee's approval. It was noted that most write offs in 2022/23 related to cases involving bankruptcy, insolvency, debt relief orders, where payers were deceased or had left with no trace or where debts were uneconomic to pursue. The three write offs over £10,000 proposed in the report were for non-domestics rates, these were shown in Appendix 1 and totalled £42,615.05.

It was moved by Councillor Sue Bull, Seconded by Councillor David Chapman and

RESOLVED (unanimously)

That the individual amounts exceeding £10,000 listed in Appendix 1 totalling £42,612.05 be written off.

The Chairman declared the motion **CARRIED**.

327/22 - TREASURY MANAGEMENT MID-YEAR REPORT 2022/23

The Director of Resources introduced a report summarising the treasury management activities for the first six months of 2022/23 and seeking approval for the Treasury Management Mid-Year report for 2022/23. The mid-year report compares actual treasury management activities for the financial year to 30th September 2022, against the Treasury Management Strategy for 2022/23.

It was noted within the report that the Council had long adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), this required the Council to approve treasury management mid-year and annual reports. It was also noted that the Council's Treasury Management Strategy for 2022/23 was approved at the 24th March meeting of Council. On 30th September 2022, the Council had net investments of £31.4m arising from its revenue and capital income and expenditure.

Due to the substantial sums of money invested by the Council and associated financial risks, such as loss of invested funds or the revenue effects of changing interest rates, Members were made aware of the importance of successful identification, monitoring and control of risk, central to the Council's treasury management strategy.

The report detailed how the Authority measures and manages its exposures to treasury management risks using the following indicators: Security, Liquidity, Interest Rate Exposures, Maturity Structure of Borrowing and Principal Sums Invested for periods longer than a year. These indicators were detailed in section 2.5 (Treasury Management Indicators) of the report.

It was moved by Councillor Susan Hobson, Seconded by Councillor Sue Bull and

RESOLVED (unanimously)

That the Treasury Management Mid-Year Report for 2022/23 be approved.

The Chairman declared the motion **CARRIED**.

18:30 – Tim Braund, Director of Regulatory Services left the meeting due to a personal interest in the following item.

328/22 - DECARBONISATION OF THE ARC LEISURE CENTRE (MATLOCK) AND WIRKSWORTH LEISURE CENTRE

The Climate Change Project Officer introduced a report which sought agreement to accept a grant offer of £1.9m from the Public Sector Decarbonisation Scheme (PSDS) phase 3b in order to decarbonise the Arc Leisure Centre Matlock and Wirksworth Leisure Centre. The report also sought a recommendation from the Committee to request that the Council approve an addition to the capital programme for 2024/25 of the sum of £2,189,500 for the decarbonisation scheme, to be financed by a grant of £1,925,500 and a 'like for like' contribution of £264,000, the latter being financed from the capital receipts reserve.

The report explained the aim of the PSDS, which provides grants for public sector bodies to fund heat decarbonisation and energy efficiency measures, putting the public sector at the forefront of decarbonising buildings in the UK and in a leadership role to create exemplar projects in our communities that pave the way to help the UK meet its Carbon Budgets and Net Zero commitments. It was noted that most of the buildings rely on fossil fuel-based heating and, as these heating systems approach the end of their working lives, it provides an ideal opportunity to transition those systems to low carbon heating.

Members were informed that should the Council choose to take advantage of the opportunity presented and accept the offer ensuring that the necessary funding is

available in the capital programme for 2024/25, the timetable for implementation is for the project to begin in April 2024, to be completed by March 2025. Both sites would benefit from significant capital investment in their heating systems which would be difficult to secure elsewhere, reducing likely ongoing maintenance requirements and ensuring their longevity.

It was moved by Councillor Helen Froggatt, Seconded by Councillor David Chapman and

RESOLVED (unanimously)

1. That the grant offer set out in this report be accepted.
2. That Council be requested to approve an addition to the capital programme for 2024/25 of the sum of £2,189,500 for 'PSDS3b Decarbonisation at Arc Leisure Centre Matlock and Wirksworth Leisure Centre', to be financed by a grant of £1,925,500 and a 'like for like' contribution of £264,000, the latter being financed from the capital receipts reserve.

The Chairman declared the motion **CARRIED**.

Meeting Closed: 6.44 pm

Chairman