

**Minutes of a Meeting of the
Joint Governance Committee of
Adur District and Worthing Borough Councils**

Queen Elizabeth II Room, Shoreham Centre, Shoreham-by-Sea

Tuesday 27 September 2016

Councillor George Barton (Chairman)

Adur District Council:

Councillor Jim Funnell
*Councillor Carol Albury
Councillor Ken Bishop
Councillor Kevin Boram
*Councillor Paul Graysmark
Councillor Emily Hilditch
Councillor Barry Mear

Worthing Borough Council:

Councillor Elizabeth Sparkes
*Councillor Paul Yallop
Councillor Paul Baker
*Councillor Joan Bradley
Councillor Alex Harman
Councillor Lionel Harman
Councillor Steve Wills
*Councillor Mark Withers

*Absent

JGC/16-17/014 Declarations of Interest

There were no declarations of interest.

JGC/16-17/015 Minutes

The minutes of the Joint Governance Committee meeting held on the 7 June 2016, were agreed as a correct record.

JGC/16-17/016 Public Question Time

There were no questions from the public.

JGC/16-17/017 Items Raised Under Urgency Provisions

There were no urgent items raised.

JGC/16-17/018 Statement of Accounts 2015/16 for Adur District Council and Worthing Borough Council

Before the Committee was a report by the Chief Financial Officer, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 5.

The Committee were informed that the audits of Adur District Council's and Worthing Borough Council's 2015/16 Statements of Accounts were now complete. The report sought approval of the two sets of amended Statements of Accounts for the financial year ended 31 March 2016 and the letters of representation.

Members noted the differences between the Adur and Worthing 2015/16 Revenue Outturn and the Comprehensive Income & Expenditure Account identified in paragraph 6.2 of the report.

Revised Balance Sheets were tabled for both the Adur and Worthing Accounts as amendments had been required following the completion of the audit.

The Committee considered the Statement of Accounts for Adur and Worthing Councils including the Notes to the Accounts and a question was asked about the (Surplus) or Deficit on Provision of Services.

A Member suggested that the current procurement approach adopted by the Council was out of date and should be reviewed citing the Yorkshire Purchasing Organisation as an alternative approach. Officers advised that a report had been to the Joint Strategic Committee earlier in the year regarding procurement and that work was being undertaken regarding the feasibility of bringing together procurement teams across the county. It was noted that an update regarding this work would be reported to the Joint Strategic Committee later in the year.

Clarification was sought as to whether the Joint Governance Committee could make a recommendation to the Joint Strategic Committee regarding this matter. The Legal Officer advised that a motion could be proposed at the October Council meetings requesting that alternative approaches to procurement be considered by the Joint Strategic Committee.

Resolved,

The Joint Governance Committee

- approved the amended Adur District Council and Worthing Borough Council Statements of Accounts for the financial year ended the 31 March 2016, subject to the amendments tabled at the meeting;
- agreed the letters of representation which were signed by the Joint Chairmen of the Joint Governance Committee.

**JGC/16-17/019 Audit Results Reports for Adur District Council and
Worthing Borough Council**

Before the Committee were the Audit Results Reports for Adur and Worthing Councils from the external auditors, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 6.

The Committee was informed of three audit risks which had been identified during the planning phase of the audit and which had been reported in the Audit Plan. The report also set out how the auditors had gained audit assurance over these issues, which were:-

- Risk of Management Override
- Asset Valuation
- Contingent Rent

Consideration was also given to the control themes and observations identified in both audits and Members noted that it was the responsibility of the Councils to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. The responsibility of the auditor was to consider whether the Council had put adequate arrangements in place to satisfy itself that the systems of internal financial control were both adequate and effective in practice

The auditor advised that both Adur and Worthing Councils had received an unqualified value for money opinion and that there were reserves available in both authorities providing short-term resilience.

Resolved,

The Joint Governance Committee noted the contents of the external auditor's reports.

**JGC/16-17/020 Annual Treasury Management Report 2015/16 for Adur
District Council and Worthing Borough Council**

Before the Committee was a report by the Chief Financial Officer, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 7.

The report requested Members note the Treasury Management performance for Adur and Worthing Councils for 2015/16.

Resolved,

The Joint Governance Committee noted the contents of the report.

JGC/16-17/021 Internal Audit Progress Report

Before the Committee was a report by the Acting Head of Internal Audit, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 8.

The report outlined the performance of the Internal Audit Section up to the 31 August 2016 and provided a summary of the key issues raised in final audit reports issued since the last report to this Committee. In addition, the status of the follow-up on agreed audit recommendations, made in final audit reports, was also provided.

The Committee noted that six audits from the 2015/16 plan were postponed to the current year, of these, three had been started in September 2016.

It was noted that 12 Audits had been finalised since the previous report, the details of which were provided in appendix 2. Of these, 10 audits had resulted in a Satisfactory Assurance Level and 2 had resulted in a Limited Assurance Level.

The Committee was informed that the 'Audit App' had gone live and that officers were providing audit owners and owners of audit recommendations with information and training to allow them to update the system. It was anticipated that in future the app would be used to produce statistical information on the implementation of audit recommendations.

Members requested that a demonstration of the app be provided by the Acting Head of Internal Audit.

A Member sought clarification regarding the status of the three priority 1 recommendations resulting from the Electoral Services audit, in particular, the Right to Work in the UK checks. Officers agreed to investigate progress towards implementation following the meeting and provide Members with an update.

Members expressed dissatisfaction with the number of outstanding recommendations from the 2013/14 Audit Plan and asked when these would be implemented. The Acting Head of Internal Audit advised that it was for management to report on the implementation of recommendations but that regular reminders were being sent to the owners of outstanding audit recommendations.

Members asked audit officers to clarify what happened if they were not satisfied with the response to a recommendation. It was noted that internal audit reported to the Chief Financial Officer but had a route directly to the Chief Executive if required.

Resolved,

That the Joint Governance Committee

- noted the performance of the Internal Audit Section;

- noted the summary of the key issues raised in final audit reports issued since the last report to the Joint Governance Committee and the current status on the follow-up on Internal Audit recommendations.

JGC/16-17/022 Disaster Recovery Provisions

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 9.

The report was presented to the Committee in response to queries raised in 2013 and an update which was requested at the Joint Governance Committee meeting held on the 7 June 2016. CenSus ICT had been requested to respond to the Committee regarding the state of Disaster Recovery services and options at the Councils' disposal.

The Committee was informed that the approach adopted by the Councils was designed to provide a proportionate response linked to the size of the organisation which worked on three main levels:-

- **Strategically**, the move towards cloud computing provided much greater resilience to Council systems, and pushed the risk onto suppliers;
- **Operationally**, a business impact assessment exercise had been carried out to inform a corporate business continuity plan, which would cover more than just ICT elements;
- **Tactically**, plans were in place for the current technology stack to ensure the Councils could respond quickly and effectively to any incident in the near term.

Officers outlined details of how power, to the data centre, would be maintained in the case of an emergency. This included provision of emergency generator facilities and an uninterruptable power supply to the Data Centre. The backup of data through the use of disks and tape was discussed and the offsite storage of these items in a secure location.

The Committee raised concerns about security and sought clarification about what 'cloud based' meant. Officers advised that rather than hosting hardware in a Council Data Centre, this service would now be provided externally by someone else. It was noted that there was a significant amount of guidance available regarding this type of work which officers could follow.

Members welcomed the report and sought clarification as to what the business continuity plan would actually look like. Officers advised that through the Emergency Planning Officer the Councils had a structure regarding how we store data and information about Business Continuity which was held in a number of different ways. Included within the document set is a document identifying the priority in which business software would need to be restored. A 'Business Continuity app' had also

been built and was due to be populated by service areas as part of a business impact assessment process which would be undertaken over the next couple of months. The app had been built on a platform which can be hosted in an offsite data centre which would enable access from anywhere.

The Committee requested that a further progress report be brought back to the Committee in January 2017.

A Member asked whether procedures had been tested before they went live. Officers advised that procedures had been thoroughly reviewed and that a rigorous Disaster Recovery exercise would be undertaken. The outcomes of which would also be reported in January 2017.

Resolved,

That the Joint Governance Committee noted the progress made towards the provision of IT disaster recovery arrangements and wider business continuity planning.

JGC/16-17/023 Risk and Opportunity Management

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 10.

The report provided a quarterly update on the management of the Councils risks and opportunities. Progress had continued to be made to monitor and review the full Risk registers with all risks being monitored using a free to use app called 'Trello'. Trello Boards had been created for the Risk Registers and the detail of each risk was provided in an accompanying 'google doc'. Links to the Trello Boards detailing the latest risks had been included within the report.

Members welcomed the report and requested that officers provide some additional training in the use of Trello to enable greater access to the information. Members also suggested that a summary of the main changes be highlighted within the report in future. Officers advised that this information was shown on the Trello Boards but in future, would also be summarised within the body of the report.

Resolved,

The Joint Governance Committee noted the progress in managing risks and opportunities and that a further progress report would be presented to the Committee in January 2017.

JGC/16-17/024 Complaints Monitoring (including LGO annual monitoring report)

Before the Committee was a report by the Director for Digital and Resources, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 11.

The report asked Members to consider the Annual Review letters of the Local Government Ombudsman (LGO) relating to Adur District Council and Worthing Borough Council for the year ended 31 March 2016.

The report also provided analysis of complaints which the LGO had received as part of the new reporting year 2016/17 and those decisions that were outstanding from the previous year.

Resolved,

The Joint Governance Committee noted the contents of the report and agreed to receive a further analysis of the Local Government Ombudsman complaints in March 2017.

JGC/16-17/025 Appointment of Honorary Alderman or Alderwoman under Section 249 (1) of the Local Government Act 1972

Before the Committee was a report by the Director for Communities, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 12.

The report set out options for conferring the title of Honorary Alderman of the Borough on two former Mayors who have retired from the Council, Michael Donin and Vic Walker. In addition, the Committee was asked to consider a request for the conferment of the title of Honorary Alderman/Alderwoman of the Borough on a former councillor of the Borough, Norah Fisher.

Cllr Tom Wye addressed the Joint Governance Committee to propose conferring the title of Honorary Alderman / Alderwoman to Norah Fisher in recognition of the outstanding contribution Norah had made to Worthing Borough Council.

Resolved,

The Joint Governance Committee:-

- recommended that a special meeting of the Council be arranged under section 249(1) of the Local Government Act for the specific purpose of conferring the title of 'Honorary Alderman' to Michael Donin and Vic Walker;

- recommended that the title of Honorary Alderman/Alderwoman be conferred to Norah Fisher at a special meeting of the Council.

*** At 8.10pm Councillors P Baker, A Harman, L Harman and S Wills left the meeting prior to the consideration of Item 13, in accordance with the Joint Committee Agreement.*

JGC/16-17/026 Joint Independent Remuneration Panel Report on the Scheme of Members Allowances for Adur District Council

Before the Committee was a report by the Director for Communities, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 13.

The Committee received a report from the Joint Independent Remuneration Panel (JIRP) on Members allowances for Adur District Council, for the municipal year 2017/18, which recommended that Adur District Council (via the Joint Governance Committee) consider the adoption of one of two options outlined in the report.

A Member of the Committee stated that they did not agree with the proposals on the grounds that the Allowances were already at an acceptable level.

Another Member expressed their support for the proposals and acknowledged the importance of the work undertaken by JIRP.

The Committee thanked Officers and Independent Members of the Joint Independent Remuneration Panel for their report.

Resolved,

The Joint Governance Committee considered the report and recommendations of the Joint Independent Remuneration Panel and recommended that Adur District Council adopt Option 2 as the level of Members' Allowances payable for the municipal year 2017/18.

The meeting was declared closed by the Chairman at 8.15pm, it having commenced at 6:30pm.

Chairman