

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

**Gordon Room, Town Hall, Worthing**

**Tuesday 28 March 2017**

Councillor Elizabeth Sparkes (Chairman)

**Adur District Council:**

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

**Worthing Borough Council:**

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

\*Absent

**JGC/16-17/047      Substitute Members**

Cllr Les Alden substituted for Cllr Barry Mear.

**JGC/16-17/048      Declarations of Interest**

Cllr Elizabeth Sparkes declared a Personal Interest in Item 9 as her brother-in-law worked for Capita.

**JGC/16-17/049      Minutes**

The minutes of the Joint Governance Committee meeting held on the 24 January 2017, were agreed as a correct record.

**JGC/16-17/050      Public Question Time**

There were no questions from the public.

## **JGC/16-17/051      Items Raised Under Urgency Provisions**

There were no urgent items raised.

## **JGC/16-17/052      External Audit Progress Report**

Before the Committee were Progress Reports 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 reports advised that the auditors had been able to rebut the 'risk of fraud in revenue recognition' that was presumed under ISA240. This had previously been reported as a significant risk in the Audit Plan.

The Auditor's interim procedures also confirmed that the remaining risks identified in the Audit Plan remained appropriate. Those were:-

- Risk of Management Override; and
- A Value for Money Conclusion risk regarding the Council's ability to plan its finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

The Committee noted that no new matters or risks had been identified and that the post statement audit work on the 2016/17 statement of accounts would commence in mid-June 2017. The Auditors post statement visit was scheduled to be completed by 7 August 2017.

A Member questioned whether the quality of audit work would be affected as a result of the new deadlines for audit completion. The Executive Director, Paul King, advised the Committee that existing Health Clients had faster closing times and that through careful management of the audit work along with a quality review process, he was confident that Ernst & Young LLP could continue to deliver quality audits.

### **Resolved,**

The Joint Governance Committee noted the contents of the progress reports.

## **JGC/16-17/053      Internal Audit Progress Report**

Before the Committee was a report from 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 7.

The Committee noted the performance of the Internal Audit Section up to 28 February 2017, 402.5 days (78.3%) of the planned days identified in the plan had been delivered.

The report provided a summary of the key issues raised in final audit reports issued since the last report to the Joint Governance Committee. In addition, the current status on the follow-up on the agreed audit recommendations made in final audit reports was provided.

It was noted that the Audit App was working well and had brought about a change in culture. Managers were using the app to notify internal audit of changes regarding the implementation of audit recommendations.

A Member expressed disappointment at the summary of key issues raised by the Fixed Assets Audit, in particular the lack of a current asset management plan and corporate property strategy. Concerns were also raised in relation to the summary of key issues identified by the Voluntary and Community Sector - contract procurement Audit which highlighted the lack of a robust outline business case for the procurement.

A Member questioned whether there should be a Joint Investment Fund Strategy, as identified by the Management of the Councils' Commercial Property Portfolio Audit. Officers confirmed that there should be a Joint Investment Fund Strategy as long as it reflected the differences between the Councils.

**Resolved,**

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/16-17/054      Internal Audit Plan - 2017/18**

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 presented the 2017/18 Internal Audit Plan for consideration and approval.

**Resolved,**

The Joint Governance Committee approved the 2017/18 Audit Plan.

**JGC/16-17/055      Joint Treasury Management Strategy Statement and Annual Investment Strategy 2017/18 to 2019/20 for ADC & WBC**

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 informed the Committee that the Councils were required to operate a balanced budget. Part of the treasury management operation was to ensure that cash flow was adequately planned, with cash being available when it was needed. Surplus monies were invested in high quality counterparties or instruments commensurate with the Councils' low risk appetite, providing adequate liquidity initially, before considering investment return. This was consistent with national guidance which promoted security and liquidity above yield.

The second main function of the treasury management service was the funding of the Councils' capital plans. The capital plans provided a guide to the borrowing need of the Councils, essentially the longer term cash flow planning, to ensure that the Councils could meet their capital spending obligations. The management of longer term cash involved arranging long or short term loans, or using longer term cash flow surpluses. On occasion, any debt previously drawn may be restructured to meet Councils' risk or cost objectives.

It was noted that the Joint Governance Committee was required to scrutinise Treasury Management reports and could make recommendations to the Joint Strategic Committee regarding any aspect of Treasury Management policy or practice it considered necessary.

**Resolved,**

The Joint Governance Committee:-

1. noted the TMSS and AIS report (including the Prudential Indicators and Limits, and MRP Statements) for 2017/18 - 2019/20;
2. agreed there were no comments on or amendment to the TMSS and AIS to refer to the next meeting of the Joint Strategic Committee.

**JGC/16-17/056      Local Government Ombudsman Complaints analysis - September 2016 - March 2017**

Before the Committee was a report by the Director for Customer Service, 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 further analysis on the most recent Local Government Ombudsman (LGO) complaints that had been processed by the Councils. A summary of the complaints was outlined in paragraph 3.2 of the report.

A Member requested more information in regards to the new complaints system. Officers advised that the new system provided a 2 stage process instead of the old 3 stage process. It was agreed that further detail would be provided in the September 2017 report.

A Member asked whether any compliments had been received during the time period. Officers confirmed that the new software also made provision for recording compliments received and that further detail would be included within the September 2017 report.

### **Resolved,**

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

### **JGC/16-17/057      Joint Overview and Scrutiny Committee Procedure Rules**

Before the Committee was a report by the Monitoring Officer, 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 updated Committee on the ongoing work, by the Joint Overview and Scrutiny Committee (JOSC), to introduce and review 'New Ways of Working' to ensure the Committee was able to robustly, efficiently and effectively, scrutinise decisions of the Councils, take a lead role in policy development and generally add value to the work of the Councils.

The review of JOSC's New Ways of Working had coincided with a timely periodic review of the Councils' JOSC Procedure Rules, which formed part of each Councils' constitution. The proposed revisions to the JOSC Procedure Rules, for both Adur and Worthing Councils, were attached to the report as Appendix 1.

Members acknowledged the importance of the scrutiny function and a Member questioned whether the new procedure rules would restrict what the Joint Overview and Scrutiny Committee could consider or who could propose items. Officers advised that the new procedure rules were not restrictive although additional criteria had been included within the procedure rules.

**Resolved,**

That the Joint Governance Committee recommended to both Adur District Council and Worthing Borough Council the adoption of the revised Joint Overview and Scrutiny Procedure Rules and inclusion of the rules in each Council's Constitution.

**JGC/16-17/058      Executive Procedure Rules**

Before the Committee was a report by the Monitoring Officer, 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 made proposals for changing the Executive Procedure Rules and revised versions were appended to the report as Appendix 1, for Adur District Council and as Appendix 2 for Worthing Borough Council.

The Joint Governance Committee was asked to consider the proposed new rules and to make a recommendation to each Council for the new Executive Procedure Rules to be adopted and become part of each Council's Constitution from the date of the Annual Council Meetings in 2017.

It was noted that consultation had been undertaken with both Leaders by way of a report, asking them to provide comment to the Joint Governance Committee. The Committee was updated with the decision of the Leaders' and feedback received.

A Member questioned whether the 28 Day Notice of Key and / or Exempt Decisions could be shared with Members when published. Officers agreed that Democratic Services would email Members with a link to the notice at least once a month.

A Member sought clarification as to whether informal briefing meetings had been reintroduced by Adur and Worthing Councils. Officers confirmed that there were informal briefing meetings but they had no decision making powers as the public were excluded.

**Resolved,**

That the Joint Governance Committee

- recommended that Adur District Council adopt the revised Executive Procedure Rules, as set out at Appendix 1, as part of their Constitution; and
- recommended that Worthing Borough Council adopt the revised Executive Procedure Rules, as set out at Appendix 2, as part of their Constitution.

**JGC/16-17/059      Constitutional Provisions relating to Adur and Worthing Councils' Licensing Functions**

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

Constitutional and procedural arrangements relating to Licensing at Adur District Council and Worthing Borough Council vary significantly and the report provided an opportunity for governance arrangements and procedure rules to be reviewed; to streamline procedures and to combine best practice from both authorities.

The Solicitor to the Council advised the Committee that determining individual applications by way of a hearing before a full Committee of either 10 or 15 Members may be disproportionate and may be contrary to the principles of natural justice and the Human Rights Act, particularly where the individual is not represented and there is a risk that the hearing may result in a loss of livelihood. The Solicitor to the Council advised the Committee that all other West Sussex local authorities determine such matters by way of sub committees, and advised that, to minimise the risk of challenge, greater use of sub committees for Licensing matters be adopted at Adur and Worthing.

The Committee noted that Worthing Licensing and Control Committee considered the proposals at its meeting on the 30 January 2017 and had strongly rejected the proposals. The Licensing and Control Committee had reasoned that the best possible judgements were achieved by a Committee of 15 Members.

A Member questioned what the quorum would be for a sub-committee of 3 Members. Officers advised that quorum would be 2 Members. A Member asked what would happen if there was disagreement between 2 Members sitting on on a sub-committee. Officers advised that the appointed chairman would have a casting vote.

A Worthing Member stated that the proposals within the report seemed sensible but the Licensing and Control Committee had not supported them. Therefore, he could not see how the Joint Governance Committee could support the proposals.

An Adur Member proposed that the recommendations put forward by the Adur Licensing Committee be recommended to Adur Council by the Joint Governance Committee. The proposal was seconded.

The reasons given for this proposal were that the larger committee reflected a true democratic approach to Licensing by providing a broader breadth of experience and opinion.

## **Resolved,**

1. That the Joint Governance Committee noted the comments received from both Adur District Council and Worthing Borough Council's Licensing Committees.
2. That the Joint Governance Committee recommended to Worthing Borough Council that no changes be made to the Constitutional Provisions relating to Worthing Councils' Licensing Functions.
3. That the Joint Governance Committee recommended to Adur District Council:
  - that the constitution be varied to provide that the majority of the membership of the Licensing committee cannot be made up of Executive Members;
  - that Licensing Act 2003 and Gambling Act 2005 matters are heard by a full committee of ten members and no changes to the constitution are made in this regard;
  - that the quorum of the full committee be raised from three members to four members and the constitution be amended accordingly;
  - that the quorum of the Licensing and Regulatory sub committee remain as three;
  - that the constitution be amended to provide for NNDR applications to be dealt with by the Head of Revenues and Benefits, rather than the Executive Member for Resources, with a route of appeal to the Executive Member for Resources, rather than to the Licensing Committee;
  - that the Solicitor to the Council be delegated authority to draft Licensing Procedure Rules to be incorporated into the constitution, to include a provision that the Licensing Committee Chairman or Vice Chairman be expected to attend appeals held at the Magistrates Court.

## **JGC/16-17/060      Updating on changes to the Constitution**

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 14.

The Committee was informed that the Councils' Monitoring Officer has delegated authority to make minor changes to the constitution as and when required.



The report advised the Joint Governance Committee of the changes that had been made since the last updating report, including changes to the Officer Scheme of Delegations and to the Standards Procedure Rules, and asked the Committee to note the changes.

A Member raised concerns regarding officer sign off. The Monitoring Officer and Section 151 Officer advised that an Officer report and decision notice would be published for each decision.

**Resolved,**

That the Joint Governance Committee noted the contents of this report.

The meeting was declared closed by the Chairman at 7.30pm, having commenced at 6.30pm.

**Chairman**