

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

QEII Room, Shoreham Centre, Shoreham-by-Sea

Tuesday 31 July 2018

Councillor George Barton (Chairman)

Adur District Council:

Councillor Kevin Boram
Councillor David Balfe
Councillor Paul Graysmark
*Councillor Andrew McGregor
Councillor Paul Mansfield
*Councillor Barry Mear
*Councillor Peter Metcalfe

Worthing Borough Council:

Councillor Lionel Harman
Councillor Nigel Morgan
*Councillor Jim Deen
Councillor Louise Murphy
Councillor Jane Sim
Councillor Bryan Turner
Councillor Steve Waight
Councillor Steve Wills

*Absent

Councillors James and Harman (both WBC) were also in attendance.
Councillor James left at 8.04pm during the item Treasury Management Report.

JGC/018/18-19 Substitute Members

Councillor Alden declared his substitution for Councillor Mear.

JGC/019/18-19 Declarations of Interest

During the debate on the item Treasury Management - Councillors Murphy and Wills declared their interest as Trustees of Worthing Homes.

No other declarations were made.

JGC/020/18-19 Minutes

The minutes of the Joint Governance Committee meeting held on the 31 May 2018, were agreed as a correct record.

JGC/021/18-19 Public Question Time

There were no questions from the public.

JGC/022/18-19 Items Raised Under Urgency Provisions

There were no urgent items raised.

JGC/024/18-19 Adur District Council and Worthing Borough Council Audit Results Reports

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

Mr King from EY presented each of the External Auditor reports. On both reports he mentioned the Pension Fund valuation figures and the reasons for the adjusted figures; the differences related to the timing of available information at each stage of the audit.

For Adur the in the VFM section there was a risk relating to the MTFP - there were plans in place to deal with the budget gap but that the actual performance of the plan(s) would determine the sustainability of the budget. On page 328 there would be an amendment to the table - no additional audit fee was required.

Adur members questioned 2021 borrowing position, savings targets/commercialisation of activities and the challenges faced in 2020/21.

In the Worthing report there was an adjustment for the valuation of land and buildings (valuation of the Town Hall and Portland House); the challenge of the budget gap in the VFM (Section 5) and the impact of the Fairer Funding Review. There would be an additional audit fee for the additional work on the property valuation.

Worthing members challenged the valuation of property requiring an explanation to which the Chief Financial Officer explained that it was due to a misreading of the information supplied to the Valuer. She undertook to give a detailed explanation in writing to Members.

Resolved that the contents of the reports be noted.

JGC/025/18-19 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 sought to update the Committee with four main matters:

The current performance of the Internal Audit Section.

Summary information on the key issues raised in final audit reports issued since the last report to the Committee.

The current status on the implementation of agreed audit recommendations.

An update on progress on actions arising from the ADC Leaseholder Charges audit.

Mr Stoddard explained that the 2018/19 audit was progressing well highlighting that of the 9 audits completed so far - 5 were satisfactory, 3 limited assurance and 1 - no opinion. He highlighted the Council's progress on GDPR commenting that most Councils were in a similar position to Adur and Worthing with their compliance. On outstanding Audit matters a report was expected to the September meeting of the committee on the Adur Leaseholders charges audit where progress had been made.

Questions from Members were on project management - process and effective controls and how the Councils were addressing this subject; GDPR progress and compliance by services and gas safety inspections.

Officers responded to the questions by Members; there was concern that the Councils were not complying with the requirements for GDPR and were at risk from the ICO of being fined. The Head of Customer Services responded to the detailed questions on progress to compliance expressing confidence in the work of the officers in the services to comply with requirements.

Reports agreed for the next Committee meeting - update on project management; update on detailed service progress to compliance with GDPR Gap Assessment and Gas Safety Inspections.

Resolved that the contents of the report be noted and that the three updating reports requested be submitted to the next meeting, together with the update on the Adur Leaseholder charges audit.

JGC/026/18-19 Disaster Recovery (DR) Test and Beyond

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.

In presenting the report the Head of Customer & Digital Services explained that the information before the committee related to a high-level summary of the results of the DR scenario test carried out on 16 June 2018 with recommendations for improving the DR capability for this scenario. Also in the report was information on wider DR scenarios; setting out the Council's plans to mitigate these risks and how the planned mitigation and Technology Strategy support the Council's business Continuity Plans.

The ICT & Digital Services Manager highlighted some of the lessons learnt, extended batteries in the data centre power systems, and how the future migration to Amazon would reduce the Council's exposure to risk. He spoke on the recent telephony problems and how these had been resolved.

Members spoke on the DR senario and the movement to a cloud based system was in the best interest of the Councils. In the telephony discussion there were questions on why the Council wished to record conversations in the call centre, to which officers responded.

In the discussion Members considered whether regular testing of scenarios for DR would be beneficial and agreed that a report be brought to the next meeting on the implications and resources necessary for increased testing.

Resolved, that in noting the report, the committee agreed that a report be presented to the next meeting on the implications and resources necessary to increase the frequency of network security testing, which is currently done annually.

JGC/027/18-19 Annual Treasury Management Report 2017-18 Adur District Council & Worthing Borough Council

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 also attached to the signed copy of these Minutes as Item 10. The report asked Members to note the Treasury Management performance for Adur and Worthing councils for 2017/18 as required by regulations issued under the Local Government Act 2003.

Resolved that the report be noted and be referred to the Joint Strategic Committee in September.

JGC/028/18-19 Revised Risk & Opportunity Management Strategy - 2018/2020

Before the Committee was a report by the Director for Digital & 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 provided the detail of the updated revised Risk and Opportunity Management Strategy (ROMS) for the Councils for 2018 - 2020 which the Committee was asked to consider and to make any comments on the Strategy to the Joint Strategic Committee (JSC) prior to approval and adoption.

Members noted that the new Strategy before them proposed the reporting and consideration of corporate risk and opportunity monitoring at the Informal Cabinet meetings (Page 13 of the document), which were private and unminuted meetings. The Committee did not consider that this was the correct place for such reports as the meetings were not open to scrutiny nor the process of good governance practice. The Committee was in agreement that this reference should be amended to allow reporting to the Joint Strategic Committee instead .

Members were also concerned with the proposal, on page 22 of the strategy and whether or not moving from a quarterly reporting to reporting in thirds to the Governance Committee would given them adequate oversight. It was, therefore,

proposed and seconded that where a new significant corporate risk was identified that rather than wait for the next reporting cycle the Joint Governance Committee should be informed at its next meeting.

Resolved that

- (1) the proposed revised/updated Risk and Opportunity Management Strategy 2018-2020 be noted
- (2) That the Joint Strategic Committee be informed of the following two comments
 - (a) That the Joint Governance Committee did not consider that the Informal Cabinet Meetings were the correct forum for the reporting and monitoring of Corporate Risks and Opportunities as these meetings were informal, therefore not good governance for these discussions and also that as the meetings were not minuted, adequate scrutiny was not possible. (Reporting should be made to the Joint Strategic Committee instead)
 - (b) that where a new significant corporate risk was identified, rather than wait for the next reporting cycle, officers should report to the Joint Governance Committee at its next meeting.

JGC/029/18-19 Social Media Policy - updating the Councils' approach

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 explained that since its inception 20 years ago, social media had rapidly transformed the way individuals and organisations interacted, providing a voice for those who weren't being heard before and additional platforms for promotion. With technology constantly and quickly evolving, the Councils had a duty to regularly review its policy around social media.

The Head of Communications explained that the updated Social Media Policy before the Committee give clear guidance on when and how it should be used by staff and members in professional and personal capacities. The would ensure the organisation can make best use of these technologies and so improve the way it does business. It would also also ensure staff and members know where they stand when it comes to social media, making them aware of their responsibility to comply with good practice and the law; while protecting the Councils brand and reputation.

There was a discussion on the Policy in relation to GDPR compliance.

It was agreed that a delegation be given to the Head of Communications to ensure correct links and GDPR compliance criteria were addressed before the Policy was presented to each Council. Relevant officers were to work together to ensure that the amended policy reflected the legal responsibilities of the Councils.

Resolved that

- (i) the updated Social Media Policy included at Appendix A to the report be amended as identified at the meeting; with the Head of Communications being granted delegated authority to amend the document prior to the Council meetings
- (ii) that once amended the each Council be **recommended** to adopt of the updated social media policy to form part of each Council's constitution.

JGC/030/18-19 Amendments to the Constitution

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 13. The report sought to update Members of the Committee with recent amendments made to each Council's Constitution by the Monitoring Officer and asked Members to note the amendments.

Resolved that the use by the Monitoring Officer use of her delegated powers to make minor and consequential amendments to the Constitution as set out within the report was noted.

JGC/031/18-19 Budget Procedure Rules

Before the Committee was a report by the Solicitor to the Councils and Monitoring Officer, copies of which had been circulated to all Members and copies are attached to the signed copy of these Minutes as Item 14. Neither Council currently has procedure rules specifically relating to the Budget process and the more generalised Council Procedure Rules are not really appropriate for dealing with this item.

It is therefore proposed that the attached budget procedure rules are adopted by each Council to form part of their Constitutions to ensure a fair, efficient and consistent process is followed when considering the Council's Budget.

In the discussion it was proposed, seconded and agreed that the references to Group Leaders and Independent Members only being able to present amendments to the Council be amended for equality and that all Members could submit amendments for consideration. It was also agreed that the list of amendment be circulated to all Councillors prior to the Council meeting.

Resolved that

- (i) subject to the Monitoring Officer making the necessary amendments to the Budget Procedure Rules to enable the views of the Committee as reflected above to be incorporated
- (ii) the amended Budget Procedure Rules for both Adur and Worthing Councils, as attached at Appendix A and B, be **recommended** to each Council for the adoption as part of each Council's Constitution.

The meeting was declared closed by the Chairman at 8.45pm, having commenced at 6.30pm.

Chairman