

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

Remote Meeting

24 November 2020

Councillor Tim Wills (Chairman)

Adur District Council:

Kevin Boram
*George Barton
Paul Mansfield
Ann Bridges
Brian Coomber
Debs Stainforth
Catherine Arnold
Liz Haywood

Worthing Borough Council:

*Roy Barraclough
Mike Barrett
*Rebecca Cooper
Louise Murphy
Steve Waight
Steve Wills
Hazel Thorpe

JGC/040/20-21 Substitute Members

Councillor Margaret Howard substituted for Councillor Rebecca Cooper.

JGC/041/20-21 Declarations of Interest

Councillors Louise Murphy and Steve Wills declared interests as Non-Executive Directors of Worthing Homes.

Councillor Louise Murphy declared an interest as a Business Banking Relationship Manager.

Councillor Catherine Arnold declared a personal interest as a Trustee of Ropetackle.

JGC/042/20-21 Minutes

The minutes of the Joint Governance Committee meeting held on 22 September 2020, were agreed as a correct record.

JGC/043/20-21 Public Question Time

There were no questions from the public.

JGC/044/20-21 Items Raised under Urgency Provisions

There were no urgent items raised.

Before the Committee was a report from the Director for Digital, Sustainability and Resources, 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 that the audits of Adur District Council's and Worthing Borough Council's 2019/20 Statements of Accounts were complete. The External Auditor's Audit Results Report, contained the External Auditor's recommendations and the "Key Message" section of their report summarised the findings arising from their audit.

At the time of publication, there were no qualification issues to report. The 2019/20 financial statements had been adjusted in respect of the External Auditor's findings as at 13th November 2020.

The report sought approval of the two sets of amended Statements of Accounts for the financial year ended 31st March 2020 and the letters of representation which were attached as appendix 2.

The Committee was advised that unfortunately the audit of the accounts would not be concluded by 24 November when the accounts were due to be signed off.

Principally, this was to do with the additional due diligence work that the auditors were undertaking with respect to the valuation of property, and in particular, investment properties. This work was being undertaken by a small specialist unit within EY and they were struggling with the volume of work. This was a national issue and not confined to Adur and Worthing Councils.

The implications of this delay were that Officers may need to do a late adjustment to the accounts depending on the outcome of the valuation review.

The deadline for the audit of the accounts was the 30th November although there were arrangements that could be put into place if the audit work was delayed. At the moment the auditors were endeavouring to complete the audits by 30th November but had suggested that depending on when the internal review of asset values was concluded, this may slip into early December.

To address the problem of a potential late amendment to the accounts, the Chief Financial Officer suggested that a delegation was put into place to allow for the Chairmen to approve the accounts as follows:

"approve the statement of accounts at appendix 1 for financial year ended 31st March 2020 whilst noting the situation with the auditors and that the accounts are not finalised at this stage. And delegating authority to the Joint Chairmen, in consultation with the s151 Officer to receive any amendments to the accounts, consider them, and approve them on behalf of JGC, whilst reporting back to JGC on any amendments at the next meeting in January 2021".

Members sought clarification regarding the ordering of the reports on the agenda, the order of wording and signatures on the letters of representation, the process for applying for Dr Chesters Charity funding and which site the GBMet Loan had been secured against.

The recommendations, as amended, were proposed by Councillor Kevin Boram, seconded by Councillor Hazel Thorpe and supported by the Committee.

Resolved

That the Joint Governance Committee

- I. approved the statement of accounts at appendix 1 for financial year ended 31st March 2020 whilst noting the situation with the auditors and that the accounts are not finalised at this stage. And delegating authority to the Joint Chairmen, in consultation with the s151 Officer to receive any amendments to the accounts, consider them, and approve them on behalf of JGC, whilst reporting back to JGC on any amendments at the next meeting in January 2021;
- II. agreed the letters of representation at appendix 2 which would be signed electronically by the Joint Chairmen of the Joint Governance Committee;
- III. approved the revised Annual Governance Statements included in the Statement of Accounts; and
- IV. noted the changes in use of reserves referenced in section 4.2 of the report.

JGC/046/20-21 Adur District Council and Worthing Borough Council Audit Results Reports

Before the Committee were two 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 7.

Helen Thompson and Hannah Lill, Ernst & Young LLP, attended the meeting to present the audit results reports for both Adur and Worthing Councils.

The Committee sought clarity around the risks associated with mortgage lending, pension liability valuation and claims on the pension fund. The auditors advised that the risks associated with mortgage lending were unlikely to be material whilst those associated with assurance of asset values and assumptions regarding liabilities were addressed by the assurance of the pension fund auditor.

The recommendations in the report were proposed by Councillor Louise Murphy, seconded by Councillor Kevin Boram and agreed unanimously.

Resolved

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

JGC/047/20-21 Mid Year Review of Treasury Management 2020-21 - Adur District Council and Worthing Borough Council

Before the Committee was a report by the Director for Digital, Sustainability & Resources, 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 asked Members to note the Treasury Management mid-year performance for Adur and Worthing Councils at the 30 September 2020, as required by regulations issued under the Local Government Act 2003.

The recommendations in the report were proposed by Councillor Paul Mansfield, seconded by Councillor Steve Wills and agreed unanimously.

Resolved

The Joint Governance Committee

- i. noted the contents of the report;
- ii. noted that the Chief Executive used his urgency powers to approve changes to the investment limits for April to June (approved by JSC on 9th June 2020) in order to manage the significant funds provided by the Government to be distributed as Business Grants.

JGC/048/20-21 Local Government Ombudsman and Housing Ombudsman Monitoring Report 2019/20

Before the Committee was a report by the Director for Digital, Sustainability & 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 reviewed 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 2020. The report also included information on complaints received from the Housing Ombudsman (HO) in relation to Adur District Councils' Housing landlord role.

Members noted the breakdown of complaints received by the LGO in paragraph 4.3 of the report acknowledging the small proportion of complaints compared with the number of customer contacts.

The recommendations in the report were proposed by Councillor Louise Murphy, seconded by Councillor Kevin Boram and agreed unanimously.

Resolved

The Joint Governance Committee noted the contents of the report.

JGC/049/20-21 Standards in Public Life: An Update

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 10.

Members of the Joint Governance Committee were updated on the report of the Committee on Standards in Public Life and the work of the Local Government Association on the Model Code of Conduct.

The report provided members of the Joint Governance Committee with an update on the progress of the work of the Committee on Standards in Public Life and the Local Government Association, and set out the implications for Adur and Worthing Councils.

After seeking clarification regarding the makeup of the working group, the following nominations were received:-

- Cllr Kevin Boram (ADC)
- Cllr Ann Bridges (ADC)
- Cllr Catherine Arnold (ADC)
- Cllr Hazel Thorpe (WBC)

The recommendations in the report were proposed by Councillor Paul Mansfield, seconded by Cllr Brian Coomber and supported unanimously.

Resolved

The Joint Governance Committee

1. noted the contents of this report;
2. nominated 4 members (Cllrs Catherine Arnold, Kevin Boram, Ann Bridges and Hazel Thorpe) to sit on a Joint Officer / Member Constitutional Working Group, to consider standards and ethics matters, including:
 - the LGA Model Code of Conduct,
 - the recommendations of the Committee on Standards in Public Life and,
 - the arrangements surrounding Councillor Conduct at Adur and Worthing Councils.
3. requested that a report be brought back from the Joint Officer / Member Working Group with recommendations on the issues set out above, at their meeting in March 2021.

The meeting was declared closed by the Chairman at 8.14 pm, it having commenced at 6.30 pm

Chairman