



ADUR & WORTHING
COUNCILS

19 May 2023

Joint Audit and Governance Committee	
Date:	30 May 2023
Time:	6.30 pm
Venue:	QEII Room, Shoreham-Centre, Shoreham-by-Sea

Committee Membership:

Adur District Council: Councillors; Andy McGregor (Adur Chair), Kevin Boram (Adur Vice-Chair), Catherine Arnold, Tony Bellasis, Ann Bridges, Jim Funnell, Julian Shinn and Debs Stainforth.

Worthing Borough Council: Councillors; To be decided at the Worthing Annual Council meeting on 23 May 2023

Agenda

Part A

1. Substitute Members

Any substitute members should declare themselves.

2. Declarations of Interest

Members and officers must declare any disclosable pecuniary interests in relation to any business on the agenda. Declarations should also be made at any stage such an interest becomes apparent during the meeting.

If in doubt contact the Legal or Democratic Services representative for this meeting.

3. Minutes

To approve the minutes of the Joint Audit & Governance Committee meeting held on 23.04.2023, copies of which have been previously circulated.

4. Public Question Time

To receive any questions from members of the public.

Questions should be submitted by **noon on Wednesday 24 May 2023** to Democratic Services, democratic.services@adur-worthing.gov.uk

(Note: Public Question Time will operate for a maximum of 30 minutes)

5. Members Questions

Councillors who are not members of this committee can ask questions under CPR 12. Questions should be relevant to the committee where the question is being asked and also relevant to an item on the agenda. Please contact Democratic Services for more information

Members' question time is 30 minutes and questions should be submitted no later than **12.00pm noon on 24th May 2023**.

Questions should be submitted to Democratic Services
democratic.services@adur-worthing.gov.uk
(Note: Members' Question Time will operate for a maximum of 30 minutes.)

6. Items Raised under Urgency Provisions

To consider any items the Chairman of the meeting considers to be urgent.

7. Internal Audit Planning Report (Pages 5 - 28)

To consider a report by the Head of Internal Audit copy attached as item 7

8. Annual Governance Statements 2022/23 (Pages 29 - 84)

To consider a report by the Director for Digital, Sustainability & Resources copy attached as item 8

9. Regulatory Compliance Notice for Adur Homes (Pages 85 - 94)

To consider a report by the Director for Communities copy attached as item 9

10. Joint Audit & Governance Committee Appointments: Parish Councillors (Pages 95 - 100)

To consider a report by the Director for Digital, Sustainability & Resources copy attached as item 10

11. Member Complaints Annual Report (Pages 101 - 110)

To consider a report by the Director for Digital, Sustainability & Resources copy attached as item 11

Part B Exempt Reports - Not for Publication

None.

Recording of this meeting

Please note that this meeting is being live streamed and a recording of the meeting will be available on the Council's website. This meeting will remain on our website for one year and will be deleted after that period. The Council will not be recording any discussions in Part B of the agenda (where the press and public have been excluded).

For Democratic Services enquiries relating to this meeting please contact:	For Legal Services enquiries relating to this meeting please contact:
Simon Filler Democratic Services Lead 01903 221439 simon.filler@adur-worthing.gov.uk	Joanne Lee Head of Legal Services and Monitoring Officer 01903 221134 joanne.lee@adur-worthing.gov.uk

The agenda and reports are available on the Councils website, please visit www.adur-worthing.gov.uk

Duration of the Meeting: Three hours after the commencement of the meeting the Chairperson will adjourn the meeting to consider if it wishes to continue. A vote will be taken and a simple majority in favour will be necessary for the meeting to continue.

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Adur District Council - Internal Audit Annual Report
For the year ended 31 March 2023
May 2023

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Disclaimer

This report (“Report”) was prepared by Mazars LLP at the request of Adur District Council (Council), and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently, no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the Council, and to the fullest extent permitted by law, Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in Appendix A3 of this report for further information about responsibilities, limitations and confidentiality.

01 Introduction

Background

This Annual Report covers the internal audit work we have undertaken for the year ended 31 March 2023 for Adur District Council (Council) and incorporates our internal audit opinion. Our work to the Council is delivered as part of a joint arrangement with Worthing Borough Council, contracted through the APEX Framework with the London Borough of Croydon.

The purpose of internal audit is to provide the Council, through the Joint Audit and Governance Committee (JAGC) and the Chief Finance Officer (CFO), with an independent and objective opinion on risk management, control and governance and their effectiveness. Internal Audit also has an independent and objective consultancy role to help line managers improve risk management, governance, and control.

Our professional responsibilities as internal auditors are set out within UK Public Sector Internal Audit Standards (PSIAS).

This annual report forms part of the framework of assurances received by the Council. It should be used to help inform the Annual Governance Statement within the Financial Statements.

Acknowledgements

We are grateful to the CFO, Directors, and other staff throughout the Council as well as the JAGC for the assistance provided during the year.

02 Work Undertaken in 2022/23

Our 2022/23 Internal Audit Plan for the joint Internal Audit service was considered and approved by the JAGC at its' meeting on 22 March 2022. The Plan was for 515 days, including 55 days for IT audits, 45 days for Contract audits and 40 management days. There were 26 Adur related audits in the Plan comprising a mixture of key financial systems, service-specific (operational and financial), corporate-wide, and IT reviews.

There were some changes to the agreed areas in the Plan during the year which were agreed with the CFO and reported to the JAGC. These were:

- One audit was transferred from the 2021/22 Plan following requests from Council Officers post the 2021/22 Internal Audit Annual Report (Condition Surveys Contract – vertical audit) however, this review was subsequently cancelled;
- One audit was added (Fire Doors Contract Management); and
- Ten audits have been transferred to the 2023/24 Plan with details rationale set out in the paper presented and agreed with the JAGC on the 23 March 2023. Within this are audits related to housing, following the Council referring itself to the national social housing regulator over the standard of its homes. Adur Homes also started a transformation programme which impacted the availability of their resources during Q4 and audits planned in this period had to be deferred. The reviews transferred were: Supply of Affordable Housing, Planned Maintenance Programme, Carbon Reduction Programme, Civica/Connect HR System, Workforce Planning, Energy Supplier - procurement & contract management, Digital Strategy, EATA, Housing Repairs Contractors and Councils' response and impacts of Welfare Reform, Cost of Living, Covid-19.

. All reviews undertaken in the period were carried out remotely. Whilst there were some practical implications around approach to testing and evidence, overall, there was minimal impact on the scope and ability to conduct the work.

Details of our findings and issues raised in the reviews are included in Progress Reports that have been made available to the JAGC during the year.

A summary of the reports is included in Appendix A1. The appendix also sets out the levels of assurance provided in assessing the control environment and effectiveness of controls and the classification of our recommendations.

03 Annual Opinion

Scope of the Annual Opinion

In giving our annual opinion, it should be noted that assurance can never be absolute. The Internal Audit service can provide to the Council a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes.

The matters raised in this report are only those that came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that may be required.

In arriving at our opinion, we have taken the following matters into account:

- The results of all internal audits undertaken in the 2022/23 Plan;
- The results of follow up action in respect of previous internal audits;
- Whether or not any High or Medium recommendations have not been accepted by management and the consequent risks;
- The effects of any material changes in the organisation's objectives or activities;
- Matters arising from previous reports to the JAGC;
- Whether or not any limitations have been placed on the scope of internal audit;
- Whether there have been any resource constraints imposed upon us which may have impinged on our ability to meet the entire internal audit needs of the organisation; and
- What proportion of the organisation's internal audit needs have been covered to date.

Internal Audit Opinion

Based on the audit work performed, we consider the control framework operated within the Council to be **Satisfactory** in its overall adequacy and effectiveness. Some reviews planned for housing for the year were deferred given the acknowledged areas for improvement in this area and as such do not form part of this opinion. The Annual Opinion for 2021/22 included five audits that were in progress at the time. We have considered these to form our opinion for 2022/23.

Certain weaknesses and exceptions were highlighted by our audit work. These matters have been discussed with management, to whom we have made recommendations. All of these have been, or are in the process of being addressed, as detailed in our individual reports.

04 Benchmarking

Assurance Levels

The chart below shows the distribution of assurance over the past five years. Overall, levels have remained consistent over the last two years.

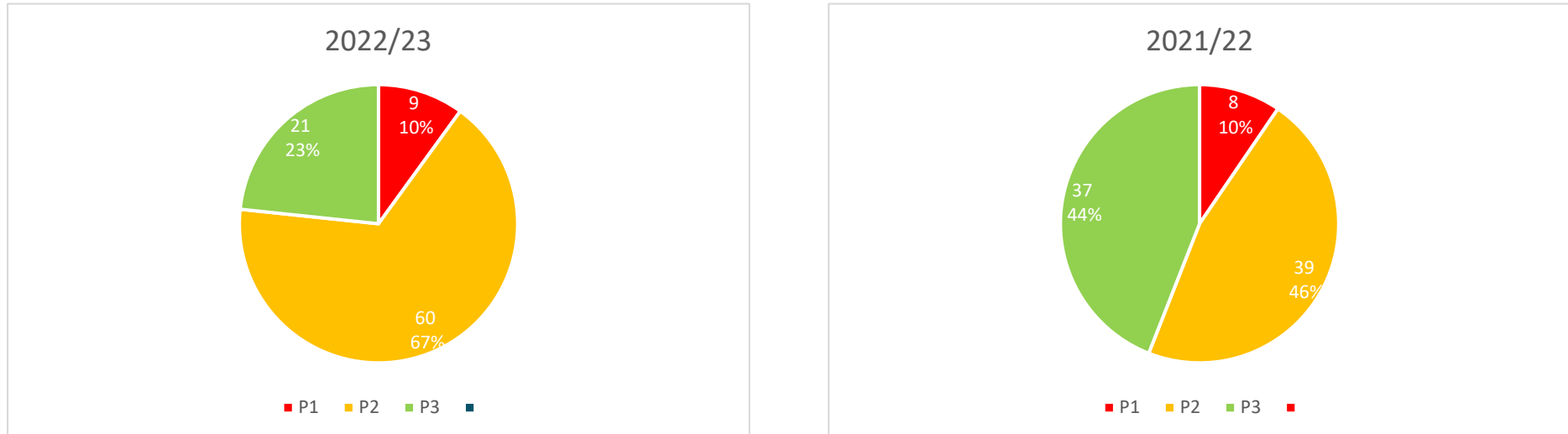
During 2022/23, nine (60%) of the internal audit projects which have so far been completed were rated 'Satisfactory assurance' compared with 13 (56%) in the prior year. One 'Full assurance' opinion have been issued in 2022/23 compared with none in 2021/22. We did not issue 'No assurance' opinions in 2022/23 so far, in line with 2021/22. Five reports (33%) have been issued with 'limited assurance' opinions compared with ten (44%) in the previous year. Two audits are currently in progress (ADC Leisure Centre and Fire Doors Contract Management) .

Assurance Gradings	Number of Projects									
	2022/23		2021/22		2020/21		2019/20		2018/19	
Full	1	7%	0	0%	2	10%	1	3.5%	0	0%
Satisfactory	9	60%	13	56%	14	74%	15	52%	18	62%
Limited	5	33%	10	44%	3	16%	12	41%	10	34.5%
No	0	0%	0	0%	0	0%	1	3.5%	1	3.5%
Sub-Total	15		23		19		29		29	
Work for which no Assurance provided	1		2		1		0		1	
Total Audits Delivered	16		25		20		29		30	
Audits in progress	2		0		0		0		0	
Total	*18		25		20		29		30	

* The total number of audits delivered was lower in 2022/23 given the ten audits deferred to 2023/24. This include audits related to Adur Homes and work that will start in the 2023/24 Plan instead.

Recommendations

Comparison of Recommendations by categorisation



During 2022/22, we have made a total of 90 new recommendations. Nine of these recommendations were Priority 1, 60 were Priority 2, and 21 categorised as Priority 3. Details are shown in Appendix 1 below. In comparison the total number of recommendations made in 2021/22 was 84 (eight Priority 1, 39 Priority 2 and 37 Priority 3).

A1 Internal Audit Work Undertaken in 2022/23 and finalised since previous Annual Report

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Reports finalised from the 2021/22 Plan since the previous Annual Report					
Key controls testing – financial systems	Final	Limited	3	4	1
Equalities Act Compliance	Final	Limited	-	6	1
Staff Wellbeing	Final	Satisfactory	-	3	1
Workspaces AW - Accommodation Review	Final	Limited	1	2	-
Cloud Management	Final	Satisfactory	-	5	2
Sub-Total for 2021/22			4	20	5
Internal Audit work from the 2022/23 Plan					
Housing Complaints	Draft*	Limited	3	6	-
Recruitment & Selection	Final	Satisfactory	-	3	2
BEIS Grants – Post Assurance Payment Plan	Complete	Not Opinion Work	-	-	-
IT Device Management	Final	Satisfactory	-	4	3
Commercial Waste	Draft*	Limited	1	11	3
Creditors	Draft*	Limited	-	5	2
Information Governance	Final	Limited	4	5	1
Self-isolation Grants	Final	Full	-	-	-
Fire Safety – Commercial Provision	Final	Satisfactory	-	4	2
Economic Development – Small Business and Apprenticeships Grants	Draft*	Satisfactory	-	5	1
Governance of Property Disposals	Draft*	Satisfactory	-	3	1

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
IT Applications Development	Final	Satisfactory	-	1	2
Markets	Final	Satisfactory	-	3	2
Safety of Commercially Leased Buildings	Draft*	Limited	1	7	2
Risk Management	Draft*	Satisfactory	-	3	-
Adur Leisure Contract Management	WIP**	-	-	-	-
Fire Doors – Contract Management	WIP**	-	-	-	-
Sub-Total for 2022/23			9	60	21
Totals			13	80	26

*Draft reports currently awaiting management responses, which may lead to changes in content including assurance levels and/or recommendations. Any changes in assurance on draft reports will also be taken into account, in the Annual Opinion for 2023/24.

**These two audits were still in progress when this report was drafted and will be summarised in our quarterly reports to the Joint Audit and Governance Committee when the final reports are issued, the results will be updated in our Annual Internal Audit Report for 2023/24.

A2 Assurance rating, recommendation level, and audit opinion definitions

We use the following levels of assurance and recommendation classifications within our audit reports:

Assurance Level	Adequacy of system design	Effectiveness of operating controls
Full Assurance	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
Satisfactory Assurance	While there is a basically sound system of internal control, there are weaknesses which put some of the Organisation's objectives at risk.	There is evidence that the level of non-compliance with some of the control processes may put some of the Organisation's objectives at risk.
Limited Assurance	Weaknesses in the system of internal controls are such as to put the Organisation's objectives at risk.	The level of non-compliance puts the Organisation's objectives at risk.
No Assurance	Control processes are generally weak leaving the processes/systems open to significant error or abuse.	Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Recommendation Grading	Definition
Priority 1 (Fundamental)	Major issues for the attention of senior management and the JAGC.
Priority 2 (Significant)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
Priority 3 (Housekeeping)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

A3 Statement of Responsibility

We take responsibility to Adur District Council for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely on any part of the Report, its contents, conclusions, any extract, re-interpretation amendment and/or modification by any third party is entirely at their own risk.

Registered office: 30 Old Bailey, London EC4M 7AU, United Kingdom. Registered in England and Wales No 0C308299.

Contacts

Graeme Clarke

Partner, Mazars

graeme.clarke@mazars.co.uk

Juan Fosco

Manager, Mazars

juan.fosco@mazars.co.uk

Mazars is an internationally integrated partnership specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 95 countries and territories worldwide, we draw on the expertise of 47,000 professionals – 30,000 in Mazars' integrated partnership and 17,000 via the Mazars North American Alliance – to assist clients of all sizes at every stage in their development.

*Where permitted under applicable country laws

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For the year ended 31 March 2023
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All reviews undertaken in the period were carried out remotely. Whilst there were some practical implications around approach to testing and evidence, overall, there was minimal impact on the scope and ability to conduct the work.

Details of our findings and issues raised in the reviews are included in Progress Reports that have been made available to the JAGC during the year.

A summary of the reports is included in Appendix A1. The appendix also sets out the levels of assurance provided in assessing the control environment and effectiveness of controls and the classification of our recommendations.

03 Annual Opinion

Scope of the Annual Opinion

In giving our annual opinion, it should be noted that assurance can never be absolute. The Internal Audit service can provide to the Council a reasonable assurance that there are no major weaknesses in risk management, governance, and control processes.

The matters raised in this report are only those that came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that may be required.

In arriving at our opinion, we have taken the following matters into account:

- The results of all internal audits undertaken in the 2022/23 Plan;
- The results of follow up action in respect of previous internal audits;
- Whether or not any High or Medium recommendations have not been accepted by management and the consequent risks;
- The effects of any material changes in the organisation's objectives or activities;
- Matters arising from previous reports to the JAGC;
- Whether or not any limitations have been placed on the scope of internal audit;
- Whether there have been any resource constraints imposed upon us which may have impinged on our ability to meet the entire internal audit needs of the organisation; and
- What proportion of the organisation's internal audit needs have been covered to date.

Internal Audit Opinion

Based on the audit work performed, we consider the control framework operated within the Council to be **Satisfactory** in its overall adequacy and effectiveness. The previous HIA Report for 2021/22 included five audits that were in progress. We have considered these to form our opinion for 2022/23.

Certain weaknesses and exceptions were highlighted by our audit work. These matters have been discussed with management, to whom we have made recommendations. All of these have been, or are in the process of being addressed, as detailed in our individual reports.

04 Benchmarking

Assurance Levels

The chart below shows the distribution of assurance over the past five years. Overall, levels have remained consistent over the last two years.

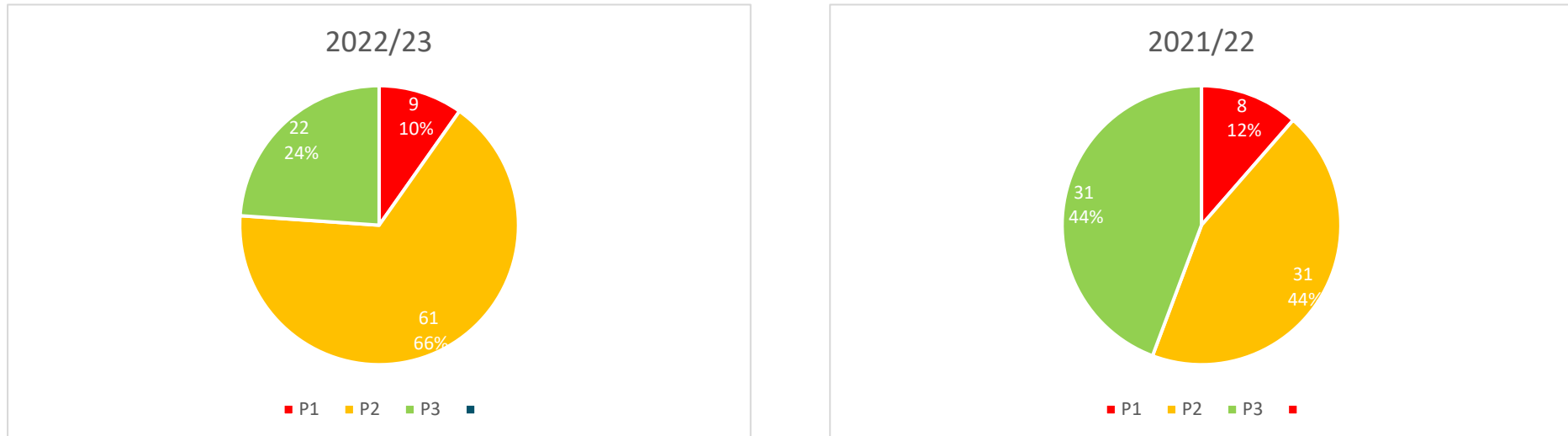
During 2022/23, 10 (63%) of the internal audit projects which have so far been completed were rated 'Satisfactory assurance' compared with 14 (66%) in the prior year. One 'Full assurance' opinion have been issued in 2022/23 compared to none 2021/22. We did not issue 'No assurance' opinions in 2022/23 so far, in line with 2021/22. Five reports (31%) have been issued with 'limited assurance' opinions compared with seven (34%) in the previous year.

Assurance Gradings	Number of Projects									
	2022/23		2021/22		2020/21		2019/20		2018/19	
Full	1	6%	0	0%	2	12.5%	2	8%	3	10%
Satisfactory	10	63%	14	66%	12	75%	13	50%	20	69%
Limited	5	31%	7	34%	2	12.5%	10	38%	6	21%
No	0	0%	0	0%	0	0%	1	4%	0	0%
Sub-Total	16		21		16		26		29	
Work for which no Assurance provided	1		2		0		0		0	
Total Audits Delivered	17		23		16		26		29	
Audits in progress	0		0		0		0		0	
Total	*17		23		16		26		29	

* The total number of audits delivered was lower in 2022/23 given the ten audits deferred to 2023/24.

Recommendations

Comparison of Recommendations by categorisation



During 2022/22, we have made a total of 92 new recommendations. Nine of these recommendations were Priority 1, 61 were Priority 2, and 22 categorised as Priority 3. Details are shown in Appendix 1 below. In comparison the total number of recommendations made in 2021/22 was 70 (eight Priority 1, 31 Priority 2 and 31 Priority 3).

A1 Work Undertaken in 2022/23 and finalised since previous Annual Report

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Reports finalised from the 2021/22 Plan since the previous Annual Report					
Key controls testing – financial systems	Final	Limited	3	4	1
Equalities Act Compliance	Final	Limited	-	6	1
Staff Wellbeing	Final	Satisfactory	-	3	1
Workspaces AW - Accommodation Review	Final	Limited	1	2	-
Cloud Management	Final	Satisfactory	-	5	2
Sub-Total for 2021/22			4	20	5
Internal Audit work from the 2022/23 Plan					
Community Infrastructure Levy	Final	Satisfactory	0	1	1
Housing Complaints	Draft*	Limited	3	6	-
Recruitment & Selection	Final	Satisfactory	-	3	2
BEIS Grants – Post Assurance Payment Plan	Complete	Not Opinion Work	-	-	-
IT Device Management	Final	Satisfactory	-	4	3
Commercial Waste	Draft*	Limited	1	11	3
Creditors	Draft*	Limited	-	5	2
Information Governance	Final	Limited	4	5	1
Self-isolation Grants	Final	Full	-	-	-
Fire Safety – Commercial Provision	Final	Satisfactory	-	4	2
Economic Development – Small Business and Apprenticeships Grants	Draft*	Satisfactory	-	5	1
Governance of Property Disposals	Draft*	Satisfactory	-	3	1
IT Applications Development	Final	Satisfactory	-	1	2

Audit area	Progress	Assurance Opinion	Recommendations		
			High	Medium	Low
Markets	Final	Satisfactory	-	3	2
Safety of Commercially Leased Buildings	Draft*	Limited	1	7	2
Risk Management	Draft*	Satisfactory	-	3	-
Adur Leisure Contract Management	WIP**	-	-	-	-
Fire Doors – Contract Management	WIP**	-	-	-	-
Sub-Total for 2022/23			9	61	22
Totals			13	81	27

*Draft reports currently awaiting management responses, which may lead to changes in content including assurance levels and/or recommendations. Any changes in assurance on draft reports will also be taken into account, in the Head of Internal Audit's Opinion for 2023/24.

A2 Assurance rating, recommendation level, and audit opinion definitions

We use the following levels of assurance and recommendation classifications within our audit reports:

Assurance Level	Adequacy of system design	Effectiveness of operating controls
Full Assurance	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
Satisfactory Assurance	While there is a basically sound system of internal control, there are weaknesses which put some of the Organisation's objectives at risk.	There is evidence that the level of non-compliance with some of the control processes may put some of the Organisation's objectives at risk.
Limited Assurance	Weaknesses in the system of internal controls are such as to put the Organisation's objectives at risk.	The level of non-compliance puts the Organisation's objectives at risk.
No Assurance	Control processes are generally weak leaving the processes/systems open to significant error or abuse.	Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Recommendation Grading	Definition
Priority 1 (Fundamental)	Major issues for the attention of senior management and the JAGC.
Priority 2 (Significant)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
Priority 3 (Housekeeping)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

A3 Statement of Responsibility

We take responsibility to Adur District Council for this report which is prepared on the basis of the limitations set out below.

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We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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Registered office: 30 Old Bailey, London EC4M 7AU, United Kingdom. Registered in England and Wales No 0C308299.

Contacts

Graeme Clarke

Partner, Mazars
graeme.clarke@mazars.co.uk

Juan Fosco

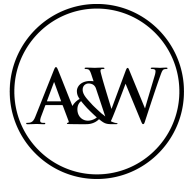
Manager, Mazars
juan.fosco@mazars.co.uk

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ADUR & WORTHING
COUNCILS

Joint Audit and Governance Committee
30th May 2023

Ward(s) Affected: All

Annual Governance Statements 2022/23

Report by the Director for Digital, Sustainability & Resources

Executive Summary

1. Purpose

1.1 To review and agree the Annual Governance Statements for 2022/23

2. Recommendations

2.1 The Joint Audit & Governance Committee is asked to:

- (a) note the evidence of compliance with the Code of Corporate Governance and the Progress Report produced to deal with any issues arising from these requirements as set out in Appendix A.
- (b) approve the Annual Governance Statements for each Council as set out in Appendix B and C to this report

3. Context

3.1 Corporate governance is the responsibility of all of us and can be defined as:

“How local government bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which local government bodies are directed and controlled and through which they account to, engage with and, where appropriate, lead their communities.” - CIPFA/SOLACE

3.2 In late 2007 CIPFA/SOLACE published a framework and guidance on delivering good governance in local government. This framework was updated with revised principles in 2016 when CIPFA/SOLACE published the document Delivering Good Governance in Local Government: Framework (CIPFA/SOLACE) Review of Annual Governance Statements which contains guidance on delivering good governance in local government updating the 2007 document.

3.3 The following are the six core principles in relation to local government as set out in the revised framework:

- Behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law;
- Ensuring openness and comprehensive stakeholder engagement;
- Defining outcomes in terms of sustainable economic, social, and environmental benefits;
- Determining the interventions necessary to optimise the achievement of the intended outcomes;
- Developing the Council’s capability, including the capability of its leadership and the individuals within it;
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency reporting and audit to deliver effective accountability

3.4 For governance to be effective it must be seen both as a collective responsibility and a cultural norm, as well as having clear lines of accountability. One of the main outcomes of the new corporate leadership team design and implementation is to make sure that each area where there is

a need for clear accountability and 'grip' is assigned to a member of the Corporate Leadership team.

- 3.5 Both the 2007 and 2016 framework requires the production of a Code of Corporate Governance. This was agreed by the former Constitution and Audit Committee in Adur and the former Governance and Audit Committee in Worthing and approved by both Councils in July 2008. It has been reviewed periodically since this date and the latest version was adopted by each Council in October 2022.
- 3.6 The revision to the framework is designed to help local government take responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that:
- resources are directed in accordance with agreed policy and according to priorities
 - there is sound and inclusive decision making
 - there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
- 3.7 The Annual Governance Statement is a comment on the totality of good corporate governance, and it is a statutory requirement for this statement to be published annually. The Accounts and Audit Regulations 2015 required the publication of the Annual Governance Statement, following consideration of the Statement of Internal Control. The Council's Head of Internal Audit (from Mazars) will provide a written annual report to those charged with governance timed to support the annual governance statement. The Annual Governance Statement must be approved before the Statement of Accounts is approved.
- 3.8 The CIPFA Code of Practice on Local Authority Accounting 2021 is prepared under International Financial Reporting Standards (IFRS), which have been adopted as the basis for public sector accounting in the UK. The 2021/22 Code has been developed by CIPFA/LASAAC and has effect for financial years commencing on or after 1 April 2021. The Code suggests that it is best practice to have the Annual Governance Statement published with the Statement of Accounts.

4. Annual Governance Statement 2022/23

- 4.1 These are key corporate documents and the most senior member and the most senior officer (Leader and Chief Executive) have joint responsibility as signatories for its content. The Leader of each Council and the Chief Executive as signatories of the respective Annual Governance Statements need to ensure that they accurately reflect the governance framework for which they are responsible. The guidance advises that it should be owned by all senior officers and members of the authority and that it is essential that there is a commitment to good governance at the heart of the organisation.
- 4.2 In order to achieve this they are likely to rely on many sources of assurance, such as:
- directors and managers;
 - the responsible financial officer;
 - the monitoring officer;
 - members;
 - the head of internal audit;
 - third parties, e.g. partnerships;
 - external audit and other review agencies
- 4.3 Guidance to preparing the Annual Governance Statement shows “the need for a review body in the process, such as an audit committee or scrutiny role who should be charged with critically reviewing the AGS and its supporting documentation”. The constitution indicates that this function should be dealt with by this Committee, and this scrutiny will meet the requirements for a critical review of the Annual Governance Statement.
- 4.4 There is no definitive way of producing the Annual Governance Statement. Professional guidance indicates that at the centre of the review process should be a corporate group who will be given ultimate responsibility for drafting the statement, evaluating assurances and the supporting evidence. This group should review whether or not there is consistency with existing policies and the authorities’ governance framework.
- 4.5 An officer reference group is responsible for ensuring that the Annual Governance Statements accurately reflect the governance arrangements of the two Councils. The membership of the group comprises of:

- Chief Executive and Head of Paid Service (Corporate sponsor)
- Monitoring Officer
- Section 151 Officer
- Assistant Director (People and Change)
- Democratic Services Officers
- Head of Technology
- Security and Risk Officer
- Head of Internal Audit

4.6 A reference group of Councillors is used to give feedback on the preparation of the draft statement:

- the Leader of both Councils
- the Executive Member for Resources
- the Chair of the Joint Overview and Scrutiny Committee
- the Chair and Members of the Joint Audit and Governance Committee
- the Leaders of the main opposition party in each Council

4.7 As part of the review process, each of the Councillors referred to in paragraph 4.6 above were written to in May 2023 seeking feedback on issues which may have a bearing on the completion of the review of the Annual Governance Statement. Any responses received as part of the 2023 review process have been incorporated into the proposed statements.

4.8 The Officer's Governance Group has reviewed the current framework and action plan on issues required to improve or strengthen the Council's Governance Framework. The outcome of the review is shown in the attached Governance Action Plan Progress Report as set out in the attached Appendix B. The traffic light system of reporting has been used to identify progress on dealing with the actions, and identifying any new action to take forward.

4.9 Following the identification of issues within the Housing Service over the last few years by both the Director for Housing and Communities and Internal Audit, the Council has now referred itself to the Regulator of Social Housing (the Regulator). A housing improvement plan is now being developed which addresses the issues raised and builds on the earlier work. The work undertaken to date has highlighted a number of issues requiring disclosure in

the Annual Governance Report. Work to address these issues are on-going, and we expect to be able to remove this item once the improvement programme has been completed and we are no longer under review by the Regulator. In the meantime, regular reports on the referral will be taken to the Joint Audit & Governance Committee.

5. Internal Audit Annual Report 2022/23

- 5.1 Each year the Head of Internal Audit (from Mazars who provide the Councils Internal Audit Service) produces an Internal Audit Annual Report which summarises the work that Internal Audit has undertaken during the previous financial year and the control environment key themes which have been identified across the authority. The purpose of this report is to provide an annual assurance statement on the adequacy and effectiveness of the Authority's systems of governance, risk management and internal control. A report is produced separately for Adur District Council and Worthing Borough Council.
- 5.2 For 2022/23 the Head of Internal Audit's Annual reports state that "Based on our audit work performed, we consider the control framework operated within both Adur District and Worthing Borough Councils for the year ended 31st March 2023 to be satisfactory in its overall adequacy and effectiveness (See the separate report on this agenda).
- 5.3 The following are extracts from the Head of Internal Audit's (Mazars) Internal Audit Annual Report.

Adur District Council

"During 2022/23, nine (60%) of the internal audit projects which have so far been completed were rated 'Satisfactory assurance' compared with 13 (56%) in the prior year. One 'Full assurance' opinion has been issued in 2022/23 compared with none in 2021/22. We did not issue 'No assurance' opinions in 2022/23 so far, in line with 2021/22. Five reports (33%) have been issued with 'limited assurance' opinions compared with ten (44%) in the previous year."

Worthing Borough Council

"During 2022/23, 10 (63%) of the internal audit projects which have so far been completed were rated 'Satisfactory assurance' compared with 14 (66%) in the prior year. One 'Full assurance' opinion have been issued in 2022/23 compared to none 2021/22. We did not issue 'No assurance' opinions in

2022/23 so far, in line with 2021/22. Five reports (31%) have been issued with 'limited assurance' opinions compared with seven (34%) in the previous year."

6. Engagement and Communication

- 6.1 Officers and members are consulted on the production of the Annual Governance Statement as outlined in section 4 above.

7. Financial Implications

- 7.1 There are no direct costs or other financial implications involved with the production of these statements.
- 7.2 The Assistant Director for Finance in her role as the Council's S.151 Officer (Chief Financial Officer) has been closely involved in the preparation, review and publication of the Action Plan and the draft Annual Governance Statement.

8. Legal Implications

- 8.1 Paragraph 6 of the Accounts and Audit Regulations 2015 sets out the legal requirements for each authority to produce an Annual Governance Statement (AGS). The Annual Governance Statement is a comment on the totality of good corporate governance, and it is a requirement for this statement to be published alongside the statutory annual statement of accounts. The draft Annual Governance Statement for Adur District Council is attached to this report as Appendix B, and for Worthing at Appendix C.
- 8.3 The Assistant Director for Legal and Democratic Services in her role as the Councils' Monitoring Officer has been involved in the preparation, review and publication of the Action Plan and the draft Annual Governance Statement.
- 8.4 Part 3 of each Council's constitutions set out the terms of reference for the Joint Audit and Governance Committee which includes their responsibilities in respect of Audit activity.

Background Papers:

Delivering Good Governance in Local Government Framework & Guidance Notes for English Authorities; CIPFA/SOLACE 2016

Accounts and Audit Regulations 2015

The role of the Chief Financial Officer in public service organisations - CIPFA

Officer Contact Details:

Sarah Gobey

Chief Financial Officer

01903 221221

sarah.gobey@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

Matter considered and no issues identified.

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. Environmental

Matter considered and no issues identified.

4. Governance

The report contains an annual review and assessment of the Councils' governance arrangements.

A. Behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Status
A1/01	Behaving with integrity	Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	Monitoring Officer	Ongoing	<p>The Councils each have an up to date Code of Conduct for Members and an Officers Code of Conduct.</p> <p>The Code of Conduct is reviewed regularly; the latest review of the Members Code of Conduct took place as part of a full constitutional review and was approved at both Adur and Worthing Full Councils in October 2022.</p>	Progressing well (Green)
A1/02	Behaving with integrity	Ensuring members take the lead in establishing specific standard operating principles or values of the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles).	Monitoring Officer/ Assistant Director (People and Change)	Ongoing	<p>The code of conduct approved by members underpins the standards of behaviour expected from officers and members and Nolan Principles</p> <p>There is also an approved Officer/Member relationship protocol which sets out expected conduct for Officers and Members carrying out their roles and responsibilities. Training is also given on Member/officer conduct and behaviours; and at discussions during one to one meetings to all leaders within the organisation.</p>	Progressing well (Green)

Appendix A

A. Behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Status
A1/04	Behaving with integrity	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively.	Monitoring Officer/ S151 Officer / Assistant Director (People and Change)	Ongoing	<p>The Council has up to date registers of interests, gifts and hospitality.</p> <p>The Whistleblowing Protocol is detailed in the Councils' constitutions and was reviewed and updated in October 2022.</p> <p>Both Council's Constitutions contain several codes and protocols for the management of good governance at Part 5.</p>	Progressing well (Green)
A2/03	Demonstrating strong commitment to ethical values	Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values.	Monitoring Office/ Head of Procurement	January 2024	<p>The new procurement strategy was considered and approved by members in January 2021 will be next reviewed in January 2024.</p> <p>The Councils Contract Procedure Rules were reviewed and updated as part of the Constitutional update in October 2022</p>	Progressing well (Green)

Appendix A

A. Behaving with integrity, demonstrating a strong commitment to ethical values, and respecting the rule of law

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
A2/04	Demonstrating strong commitment to ethical values	Statement of business ethics communicates commitment to ethical values to external suppliers	Monitoring Office/ Head of Procurement	Completed	<p>A sustainability procurement Code of Practice was approved by the Councils' in January 2021 commitments to responsible procurement and social value.</p> <p>The Councils Contract Procedure Rules were reviewed and updated as part of the Constitutional update in October 2022</p>	Progressing well (Green)
A3/02	Respecting the rule of law	Creating conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	CEO and Head of Paid Service	Ongoing	<p>The CFO is now a member of the Corporate Leadership Team (CLT). The only issue that the Councils now do not comply with in the recommended guidance on the role of the Chief Financial Officer in Local Government is that the CFO should report to the CEO and be of the same grade as the Directors. The Councils comply with all other aspects of the recommended practice.</p> <p>The Monitoring Officer is also a member of the CLT group.</p> <p>The Head of Paid Service, Chief Financial Officer and Monitoring Officer now meet regularly to discuss their statutory roles and issues any governance arising.</p>	Being closely monitored (Amber)

B. Ensuring openness and comprehensive stakeholder engagement
--

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
B1/01		Engaging comprehensively with institutional stakeholders				
		Openness	S151 Officer / Emma Thomas	Ongoing annually by 31st May each year	<p>Within the new framework there is a requirement for an Annual Report.</p> <p>The Council has developed the 'narrative report' contained within the Statement of Accounts to meet the key requirements of an Annual Report. This is refreshed annually</p>	Being closely monitored (Amber)
B1/01		Engaging comprehensively with institutional stakeholders				
		Engaging comprehensively with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably.	Tina Favier	Ongoing	<p>The Council's plan 'Our Plan' outlines how the Councils approach to engaging with our stakeholders.</p> <p>The Council publishes all decisions in a transparent manner, as part of our decision making key stakeholders are consulted with prior to decisions being made</p> <p>With respect to our formal partnerships, these are governed by agreements which clearly detail our governance arrangements and the expected outcomes from the partnership.</p> <p>The Council will engage with a range of key stakeholders informally to support policy making.</p>	Progressing well (Green)

B. Ensuring openness and comprehensive stakeholder engagement
--

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
B1/01	Engaging comprehensively with institutional stakeholders (continued)					
		Engaging comprehensively with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainable	Assistant Director (People and Change)	Ongoing review	<p>The Councils have an overarching communications strategy which sets out how we will seek to engage with the community and other stakeholders in an open and transparent way using traditional and digital tools.</p> <p>Since April 2017, there has been a focus on developing the Councils' social media channels as our key mode of external engagement. Our approach to engagement will develop further through 2023/24 with the intended appointment of a designated Participation and User Research Lead (subject to consultation).</p>	Being closely monitored (Amber)

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
C1 /01	Defining outcomes					
		Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	Catherine Howe / CLT	Ongoing	<p>A vision has been produced and agreed by the Councils called 'Our Plan'. The Council receives 6 months reports on progress in implementing the actions arising from these priorities.</p> <p>Under the Constitution the Cabinet is required to submit annually to the Council a corporate plan and annual report and to monitor its effectiveness.</p> <p>Services will undertake additional performance management as part of the broader service planning process.</p>	Progressing well (Green)

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
E1/02	Developing the entity's capacity					
		Improving resource use through the appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently.	Assistant Director (People and Change)	Ongoing	VFM opinion audit judgement reviewed on an annual basis and the opinion is positive. A number of services are regionally benchmarked and others nationally e.g. Adur Homes, Fraud, Leisure. Cost comparisons with other Councils undertaken. VFM is measured as part of procurement.	Progressing well(Green)
E1/04	Developing the entity's capacity					
		Developing and maintaining an effective workforce plan to enhance strategic allocation of resources	Assistant Director (People and Change)	31st December 2022	The draft plan is being worked on and is due to go to members later in the year.	Progressing well(Green)

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
E2/02	Developing the capability of the entity's leadership and other individuals					
		<p>Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making body</p> <ul style="list-style-type: none"> • Scheme of delegations is updated at least annually in the light of legal and organisational changes. • Officer Decision Protocol is regularly reviewed • Executive Procedure Rules are regularly reviewed. 	Monitoring Officer	Ongoing	<p>The Scheme of Delegations, Officer Decision Making Protocol and Executive Procedure Rules are regularly reviewed, the last review taking place in October 2022.</p> <p>There is an ongoing review of constitutional updates and amendments. The Scheme of Delegations needs a general revision now that the senior leadership structure has been altered as part of each Council's Work on Our Plan. The Monitoring Officer will regularly report to the Joint Audit & Governance Committee on any proposed constitutional amendments or amendments that have been made under the Monitoring Officer's delegation to make minor and inconsequential amendments. There is also a published Register of Sub-delegations online.</p>	Progressing well(Green)

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
E2/02	Developing the capability of the entity's leadership and other individuals					
		Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making body				
		- Contract standing orders are reviewed regularly	S151 Officer/ Monitoring Officer	Ongoing	<p>The Contract Standing Orders have been updated and approved by both Councils in April 2022.</p> <p>Training continues to be rolled out to all officers involved in procuring items of £5k or more.</p> <p>A toolkit has been rolled out to assist managers in complying with the Contract Standing Orders.</p> <p>A programme of contract management training is in place.</p>	Progressing well (Green)
		- To review and refresh the financial regulations.	S151 Officer	Ongoing	A new revised set of financial regulations was approved by the Councils in April 2019 and again as part of the Council's constitutional review in October 2022. This will be reviewed again in 2023 and amended if needed.	Progressing well (Green)

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
E2/04	Developing the capability of the Councils leadership and other individuals					
		Ensuring members have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis	Monitoring Officer	Ongoing	<p>A revised development programme is due to be implemented for 2023/24. The programme is intended to deliver targeted development sessions for newly Elected Members and provide refresher sessions for existing Members.</p> <p>The development programme will include topics such as chairing meetings, decision making, code of conduct, GDPR, planning, licensing, safeguarding, housing, casework, local government finance, google suite, social media and developing Adur & Worthing.</p> <p>This can be evidenced via individual Trello Passports for each Councillor which are kept up-to-date with training attendance data and are available for inspection.</p> <p>The new development programme is available on request.</p>	Progressing well (Green)

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
E2/04	Developing the capability of the Councils leadership and other individuals					
		<p>Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections.</p> <p>- Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs.</p>	Monitoring Officer	Ongoing	<p>There is no formal process for carrying out development reviews for Members.</p> <p>However, Democratic Services does ensure that Planning, Licensing and Scrutiny training is kept up to date which ensures that performance in the determination of quasi-judicial matters is maintained at a high level.</p> <p>The development programme for members is reviewed annually and amended accordingly to needs identified in the previous year.</p>	<p>Being closely monitored</p> <p>(Amber)</p>

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
E2/04	Developing the capability of the Councils leadership and other individuals					
E2/09		Holding staff to account through regular performance reviews (as part of 1:1 conversations between manager and staff) which take account of training or development needs	Assistant Director (People and Change)	Ongoing	<p>A full training programme has been rolled out across the organisation to support performance conversations in 1:1 meetings.</p> <p>HR policies are subject to rolling review.</p> <p>Apprenticeships are being used to develop our people leaders, including team leader introductory training and coaching courses.</p> <p>A programme of training has been rolled out for people leaders with subjects like influencing & negotiating, delegation & prioritisation and leading remote teams.</p> <p>A recent staff survey has indicated that there is more work to do ensure that staff get an consistent and high quality experience which is why this item is Amber.</p>	Being closely monitored (Amber)

F. Managing risks and performance through robust internal control and strong public financial management

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
F2/02	Managing Performance					
		Monitoring service delivery effectively including planning, specification, execution and independent post implementation review.	Monitoring Officer / Policy Officer	Ongoing	<p>Service plan commitments and progress against the outcomes detailed in 'Our Plan' are regularly monitored.</p> <p>Project management arrangements in place which include a PID, project plan and post implementation review.</p> <p>As part of the new organisational design resulting from Our Plan we will be creating a new function (mission control) which will be responsible for planning and prioritisation of work as well as reporting on progress.</p>	Progressing well (Green)

F. Managing risks and performance through robust internal control and strong public financial management

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
F2/03		Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during, and after decisions are made thereby enhancing the organisation's performance.	Monitoring Officer / Scrutiny Officer	Annual / Ongoing	<p>Annual report on scrutiny produced providing evidence of improvements of changes resulting from the work of the Joint Overview and Scrutiny Committee.</p> <p>An annual report for the work of JOSC is next due to be considered by the committee on the 8th June 2023.</p> <p>A review of the Joint Overview and Scrutiny process is currently taking place. Officers are working with the Members of JOSC on this and a Member workshop was held in April 2023, the findings from which will be reported to JOSC in June 2023 and further work will be considered to review and improve JOSC later in 2023.</p>	Progressing well (Green)

F. Managing risks and performance through robust internal control and strong public financial management

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
F2/05	Managing Performance	<p>Ensuring there is consistency between specification stages and post implementation reporting</p> <ul style="list-style-type: none"> - Good procurement and contract management arrangements are in place 	S151 Officer / Head of Procurement	Ongoing	<p>The Contract Standing Orders have been reviewed and a new training programme continues to be rolled out.</p> <p>A procurement toolkit has been developed to help staff purchase wisely.</p> <p>Guidance on supplier management is being developed</p> <p>Contract management training programme is in place.</p>	Progressing well (Green)
F3/05	Robust Internal control	<p>Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body:</p> <ul style="list-style-type: none"> - provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment 	S151 Officer	Ongoing	<p>Effective audit scrutiny is in place. Councillors can attend training. A programme is in place to develop the knowledge and skills of the Councillors.</p> <p>A review of the effectiveness of the Audit Committee was last considered by the Joint Audit and Governance Committee in June 2019. This is due to be refreshed in 2023.</p>	Progressing well (Green)

F. Managing risks and performance through robust internal control and strong public financial management

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
F3/05	Robust Internal control					
		- that its recommendations are listened to and acted upon	S151 Officer / Head of Internal Audit	Ongoing	<p>Head of Internal Audit reports to the Corporate Leadership Team regularly to raise the profile of issues.</p> <p>An App is used to track progress in addressing agreed audit recommendations. This is being used by Council officers to provide updates and is used by Audit to review actions and report progress to JAGC.</p> <p>Heads of Service are now being asked to attend JAGC where responses to audit queries are not being provided or where No/Limited assurance reports are issued.</p>	Progressing well (Green)
F4/01	Managing data					
		Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	Head of Technology	Ongoing	<p>This work is overseen by the Senior Information Governance Officer.</p> <p>A suite of IS Policies, procedures, training & guidance is in place and is continuously reviewed. Progress and performance are monitored by the Senior Information Risk Owner.</p> <p>Compliance is regularly audited by internal audit.</p>	Being closely monitored (Amber)

F. Managing risks and performance through robust internal control and strong public financial management

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
F4/02	Managing data	Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies.	Head of Technology	Ongoing	Data sharing protocols are in place when sharing data with other bodies. All services have Privacy Notices in place at the point of data collection.	Progressing well (Green)

G. Implementing good practices in transparency reporting and audit to deliver effective accountability

Action Code	Title	Description	Assigned To	Due Date	Latest Note	Performance Status
G2/02	Implementing good practices in reporting	Reporting at least annually on performance, value for money and the stewardship of its assets	S151 Officer / Scrutiny Officer	Ongoing	<p>A formal annual report is now required. This should include key points raised by scrutineers and service users' feedback on service delivery .</p> <p>Joint Overview and Scrutiny Committee's annual report for 2022/23 is due to be approved at Council in July 2023.</p> <p>This requirement was introduced in 2016/17. The narrative report which is published within the Statement has been developed to meet the requirements of an annual report.</p>	Progressing well (Green)

**ADUR DISTRICT COUNCIL
ANNUAL GOVERNANCE STATEMENT**

SCOPE OF RESPONSIBILITY

Adur District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government 2016 (the Framework). The Framework expects that local authorities will put in place proper arrangements for the governance of their affairs and which facilitate the effective exercise of functions and ensures that the responsibilities set out above are met.

At least once a year, Local Authorities are statutorily required to review their governance arrangements. The preparation and publication of an Annual Governance Statement in accordance with the Framework fulfils this requirement.

A copy of the code is on our website at www.adur.gov.uk or www.adur-worthing.gov.uk or can be obtained from the Council. This statement explains how Adur District Council has complied with the code and also meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Council for the financial year ended 31st March 2023 and up to the date of approval of the statement of accounts.

THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the Council's governance arrangements are summarised below:

Key elements of the Council's Governance Framework

Council, Executive and Leader

- Provides leadership and develops the Council's vision of its purpose and intended outcome for residents and service users.
- Develops the vision into objectives for the Council and its partnerships

Decision making

- All decisions are made in the open
- Decisions are recorded on the Council website
- The scheme of delegations which details the decision making arrangements is regularly updated
- The Monitoring Officer ensures that all decisions made comply with relevant laws and regulations

Risk Management

- Risk registers identify both operational and strategic risks
- Key risks and opportunities are considered by the Corporate Leadership Team every quarter
- Risks and opportunities are reported to the Joint Audit and Governance Committee every quarter and inform the work of the internal audit team

Scrutiny and Review

- The Joint Overview and Scrutiny Committee reviews Council policy and can challenge the decisions made.
- The Joint Audit and Governance Committee undertakes all of the core functions of an audit committee.
- The Joint Audit and Governance Committee is responsible for review and approving the Council's Governance arrangements and undertakes the role of a Standards Committee ensuring that members comply with the Code of Conduct

Corporate Leadership Team

- The Council's Corporate Leadership Team comprises of the Chief Executive, the three Directors, and the Assistant Directors who are responsible for the delivery of the Council's aims and objectives
- The head of paid service is the Chief Executive who is responsible for all Council Staff and leading an effective Corporate Leadership Team.
- CLT seeks advice from the Council's Chief Financial Officer (Assistant Director Finance) who is responsible for safeguarding the Council's financial position
- CLT seeks advice from the Monitoring Officer who is the Assistant Director Legal and Democratic Services. They are responsible for enduring legality and promoting high standards of public conduct.

The operation of this authority's governance framework is described in the sections below. This sets out how the Council has complied with the seven principles set out in the Framework during 2022/23.

THE OPERATION OF THE GOVERNANCE FRAMEWORK

The governance framework gives the Members and the Organisation the confidence and certainty that what needs to be done is being done. The chart below provides a high level overview of the Council's key responsibilities, how they are met and the means by which assurance is delivered.

WHAT WE NEED TO DO	HOW WE DO IT
<p>Principle A Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p>	<ul style="list-style-type: none"> ● The Constitution ● The Monitoring Officer (Assistant Director for Legal and Democratic Services) ● Section 151 Officer (Assistant Director Finance) ● Codes of conduct ● Whistleblowing Policy ● Bribery Act 2010 policy guidance ● Corporate anti-fraud work ● Procurement Strategy
<p>Principle B Ensuring openness and comprehensive stakeholder engagement</p>	<ul style="list-style-type: none"> ● Consultations ● Terms of reference for partnerships ● Freedom of information requests ● Complaints procedure
<p>Principle C Defining outcomes in terms of sustainable economic, social, and environmental benefits</p>	<ul style="list-style-type: none"> ● Organisational goals ● Service planning ● Performance Management ● Community Strategy ● Procurement Strategy
<p>Principle D Determining the interventions necessary to optimise the achievement of the intended outcomes</p>	<ul style="list-style-type: none"> ● Service planning ● Performance Management ● Options appraisals ● Whole life costing ● Equalities Impact Assessments
<p>Principle E Developing the Council's capability, including the capability of its leadership and the individuals within it</p>	<ul style="list-style-type: none"> ● Robust interview and selection process ● Training and development ● Workforce planning ● Succession planning ● Performance development reviews ● Talent management ● HR Policies & procedures
<p>Principle F Managing risks and performance through robust internal control and strong public financial management</p>	<ul style="list-style-type: none"> ● Effective member scrutiny function ● Financial management and MTFP ● Corporate risk register ● Annual audit plan ● Information Security policies ● Compliance with the requirements of the Public Service Network (PSN)
<p>Principle G Implementing good practices in transparency reporting and audit to deliver effective accountability</p>	<ul style="list-style-type: none"> ● Reports are held on the website ● Annual audited financial statements are publically available ● Annual Governance Statement ● Effective Internal Audit Service

**ADUR DISTRICT COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

HOW WE KNOW WHAT NEEDS TO BE DONE IS BEING DONE

Joint Audit and Governance Committee function and self-assessment; Corporate Governance Group; Scrutiny Reviews; Review of progress made in addressing issues; Performance monitoring; Review of compliance with corporate governance controls; Review of accounts; Employee opinion surveys; Internal audits and external audits; Inspections and recommendations made by external agencies.

The following sections look at how the Council delivers governance principles in more detail:

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

The Constitution

The constitution sets out how the Council operates; the roles and responsibilities of members, officers and the scrutiny and review functions; how decisions are made; and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. Although there is no longer a statutory requirement, this Council continues with this arrangement internally; and regularly reviews and updates the constitution to ensure it reflects current practice. As well as working together as a single organisation and with our neighbour Worthing borough Council, members and officers continue to improve their working relations with other organisations, both locally and sub-nationally, to achieve a common purpose of improved efficiency and effectiveness.

The Monitoring Officer

The Monitoring Officer is a statutory function and ensures that the Council, its officers, and its elected members, maintain the highest standards of conduct in all they do. The Monitoring Officer ensures that the Council is compliant with laws and regulations, as well as internal policies and procedures. She is also responsible for matters relating to the conduct of Councillors and Officers, and for monitoring and reviewing the operation of the Council's Constitution. In this Council this officer is Joanne Lee who is also the Assistant Director of Legal and Democratic Services.

Section 151 Officer

Whilst all Council Members and Officers have a general financial responsibility, the s151 of the Local Government Act 1972 specifies that one Officer in particular must be responsible for the financial administration of the organisation and that this Officer must be CCAB qualified. This is typically the highest ranking qualified finance officer and in this Council this is Sarah Gobey, who is also the Assistant Director Finance.

ADUR DISTRICT COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

Codes of Conduct

Codes of Conduct exist for both staff and members.

All Councillors have to keep to a Code of Conduct to ensure that they maintain the high ethical standards the public expect from them. If a complainant reveals that a potential breach of this Code has taken place, Adur District Council or Worthing Borough Council may refer the allegations for investigation or decide to take other action.

On joining the Council, Officers are provided with a contract outlining the terms and conditions of their appointment. All staff must declare any financial interests, gifts or hospitality on a public register. Additionally, members are expected to declare any interests at the start of every meeting that they attend in accordance with Standing Orders. Members and officers are required to comply with approved policies.

Whistleblowing

The Council is committed to achieving the highest possible standards of openness and accountability in all of its practices. The Council's Whistleblowing policy (revised in 2018) <http://awintranet/media/media.125134.en.pdf> sets out the options and associated procedures for Council staff to raise concerns about potentially illegal, unethical or immoral practice and summarises expectations around handling the matter.

Anti-fraud, bribery and corruption

The Council is committed to protecting any funds and property to which it has been entrusted and expects the highest standards of conduct from Members and Officers regarding the administration of financial affairs.

The Councils have a Corporate Anti-Fraud Team which acts to minimise the risk of fraud, bribery, corruption and dishonesty and recommends procedures for dealing with actual or expected fraud. The Council has an approved Counter Fraud Policy and Strategy Statement which can be found on the internet at <https://www.adur-worthing.gov.uk/media/Media.167176.smxx.pdf>

Guidance and policies for staff on the Bribery Act 2010 and the Prevention of Money Laundering are found on the intranet.

**ADUR DISTRICT COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Transparency

The Council and its decisions are open and accessible to the community, service users, partners and its staff.

All reports requiring a decision are considered by appropriately qualified legal, and finance staff with expertise in the particular function area before they are progressed to the relevant Committee or group. This Council wants to ensure that equality considerations are embedded in the decision-making and applied to everything the Council does. To meet this responsibility, equality impact assessments are carried out on all major council services, functions, projects and policies in order to better understand whether they impact on people who are protected under the Equality Act 2010 in order to genuinely influence decision making.

All reports and details of decisions made can be found on the Council's website at <https://www.adur-worthing.gov.uk/meetings-and-decisions/>

Freedom of Information enquiries

The Freedom of Information Act 2000 (Fol) gives anyone the right to ask for any information held by a public authority, which includes this Council, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.

Engagement and communication

It is recognised that people need information about what decisions are being taken locally, and how public money is being spent in order to hold the council to account for the services they provide. The views of customers are at the heart of the council's service delivery arrangements.

Adur and Worthing Councils' Corporate Plan called 'Our Plan' (<https://www.adur-worthing.gov.uk/our-plan/>) identifies participation as one of the foundational principles upon which the council seeks to function and deliver public services. Key policy areas include: i) Involving people more closely in the design and provision of services ii) offering genuinely participatory ways for citizens to be involved in decision-making iii) Providing inclusive services by listening to underrepresented voices, creating equal access and meeting our equality duties; and iv) Supporting councillors in their work of representing and championing the interests of residents, communities and businesses.

ADUR DISTRICT COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Consultations

To be effective the council participation approach seeks to inspire and support a genuine two-way dialogue with all sections of the community and other stakeholders. There are a number of ways people can get involved and connect with the council. Current consultations can be found on the Councils website at www.adur-worthing.gov.uk. Local people have the option to engage in a dialogue through: social media sites (including Facebook and twitter), petition schemes, stakeholder forums, tenant associations, council meetings (open to the public), and their local Councillor.

Complaints

There is a clear and transparent complaints procedure for dealing with complaints. The Council operates a three-stage complaints procedure and promises to acknowledge complaints within 5 working days and respond fully within 10 working days for first-stage complaints, and 15 working days for second-stage complaints. If complainants remain dissatisfied they have the right to refer the matter to the Local Government Ombudsman.

Partnership working

In addition to the partnership between Adur and Worthing (<http://www.adur-worthing.gov.uk/about-the-councils/partnership-working/>), this Council is involved in a number of different partnerships, at different levels – each with their own set of terms of reference for effective joint working.

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

Joint Corporate Priorities

The Councils have agreed a plan 'Our Plan' that sets out Adur & Worthing Councils' ambition for our places' and our communities' prosperity and wellbeing over three years (2022 - 2025).

The Councils have agreed programmes of work for this period under four themes or 'Missions' which set out their aspirations for the town.

- **Thriving People**
- **Thriving Places**
- **Thriving Environment**
- **Thriving Economy**

Further details of how these priorities will be achieved are included in a programme of work which can be found on the internet at [Our Plan](#).

**ADUR DISTRICT COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

The Council receives regular reports on the progress in delivering the outcomes set out within Our Plan which reflects the priorities of both .

D. DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

Service planning and performance management

In order to secure these outcomes for residents and service users, the Council needs to respond to some tough challenges. Through partnership working, increasing income from commercial activity and efficiency savings the Council has made significant savings over the past five years and needs to find a further £1.8m by 2027/28 in a climate of reducing funding from Central Government and rising demand for many of the Councils services. This means that it is important that, whilst we focus on achieving the organisational goal and aspirations, we continue to plan services in detail on an annual basis, focusing on challenges over the coming year but also considering the medium term horizon.

The Service Managers are responsible for preparing service plans that include details on: core business that must be delivered; plans for improvement, development and disinvestment; financial planning; arrangements for addressing key governance issues; key service risks and management/mitigation activity and arrangements for robust performance management within the service.

E. DEVELOPING THE COUNCIL'S CAPABILITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

Recruitment and induction

The Council operates a robust interview and selection process to ensure that Officers are only appointed if they have the right levels of skills and experience to effectively fulfil their role. If working with children and/or vulnerable adults they will be subject to an enhanced criminal records check prior to appointment. New Officers receive induction which provides information about how the organisation works, policies and health and safety. Newly elected Councillors are required to attend an induction which includes information on: roles and responsibilities; political management and decision-making; financial management and processes; health and safety; information governance; and safeguarding.

**ADUR DISTRICT COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

E. DEVELOPING THE COUNCIL'S CAPABILITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

Training and development

All Officers are required to complete a number of mandatory e-learning courses including health and safety, equalities and diversity, financial rules, and information governance. Officers and Members have access to a range of digital, technical, soft skills and job specific training courses. Compulsory training is provided for Members who sit on the following committees: Audit and Governance, Licensing Committee, and the Planning Committee. Other member-led training is available to Councillors through Democratic Services and Learning and Development. The package of support available gives Members the opportunity to build on existing skills and knowledge in order to carry out their roles effectively.

Performance development and review

All Officers receive regular one to ones with their Manager in order to monitor workload and performance and Managers are required to carry out regular performance development reviews, which seek to identify future training and development needs. Services consider workforce plans as part of the annual business planning process. Our service plans paint a picture of what we want to achieve; workforce planning helps to establish the nature of the workforce needed to deliver that vision, and produce a plan to fill the gaps. This helps to ensure we have the right people, with the right skills, in the right jobs, at the right time.

F. MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

Effective scrutiny

The Council operates a Joint Overview and Scrutiny Committee (JOSC) governed by its own terms of reference. It is important that JOSC acts effectively as one of their key tasks is to review and challenge the policy decisions that are taken by Executive or the Joint Strategic Committee. Topics that are chosen to be 'scrutinised' are looked at in depth by a cross party panel of Councillors. They assess how the Council is performing and see whether they are providing the best possible, cost effective service for people in the area. The JOSC's findings are reported to the Joint Strategic Committee or Executive and may result in changes to the way in which services are delivered.

ADUR DISTRICT COUNCIL ANNUAL GOVERNANCE STATEMENT

F. MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

Financial management

The Assistant Director of Finance is responsible for leading the promotion and delivery of good financial management so that public money is safeguarded at all times, ensuring that budgets are agreed in advance and are robust, that value for money is provided by our services, and that the finance function is fit for purpose. She advises on financial matters to both the Executive and full Council and is actively involved in ensuring that the authority's strategic objectives are delivered sustainably in line with long term financial goals. The s151 Officer together with the finance team ensure that new policies or service proposals are costed, financially appraised, fully financed and identifies the key assumptions and financial risks that face the council.

Financial Regulations have recently been revised by the s151 Officer so that the Council can meet all of its responsibilities under various laws. They set the framework on how we manage our financial dealings and are part of our Constitution. They also set the financial standards that will ensure consistency of approach and the controls needed to minimise risks. The s151 Officer has a statutory duty to report any unlawful financial activity or failure to set or keep to a balanced budget. She also has a number of statutory powers in order to allow this role to be carried out, such as the right to insist that the local authority makes sufficient financial provision for the cost of internal audit.

Risk management

All significant risks (defined as something that may result in failure in service delivery, significant financial loss, non-achievement of key objectives, damage to health, legal action or reputational damage) must be logged on a Corporate Risk Register, profiled (as high/medium/low), and mitigating measures/assurances must be put in place. These risks are regularly reported to CLT and the Joint Audit and Governance Committee.

**ADUR DISTRICT COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

Joint Audit and Governance Committee

The Joint Audit and Governance Committee has the responsibility for receiving many reports that deal with issues that are key to good governance. The Committee undertakes the core functions of an Audit Committee identified in CIPFA's practical guidance. The group has an agreed set of terms of reference, which sets out their roles and responsibilities of its members.

Internal audit

The Head of Internal audit is a qualified accountant who has full access to senior management and the Joint Audit and Governance Committee (which fulfils the role of an audit committee). The audit team is properly resourced. The Council is in compliance with the CIPFA statement on the Role of the Head of Internal Audit (2010).

The Head of Internal Audit provides an independent and objective annual opinion on the effectiveness of internal control, risk management and governance each year. This is carried out by the Internal Audit team in accordance with the Public Sector Internal Audit Standards.

For 2022/23 the Head of Internal Audit's Annual reports states that based on the Internal Audit work undertaken, it is the Head of Internal Audit's opinion that they consider the control framework operated within the Council to be Satisfactory in its overall adequacy and effectiveness for the year ended 31st March 2023, except for the control environment issues as documented in the report which can be found on the Council's website on the agenda for the Joint Audit and Governance Committee dated 30th May 2023.

Annual accounts

The Council publishes full audited accounts each year which are published on the website at:

<https://www.adur-worthing.gov.uk/about-the-councils/finance/statement-of-accounts/>

ADUR DISTRICT COUNCIL ANNUAL GOVERNANCE STATEMENT

REVIEW OF EFFECTIVENESS

Adur District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by relevant stakeholders, the external auditors and other review agencies and inspectorates.

The Council has procedures in place to ensure the maintenance and review of the effectiveness of the governance framework, which includes reports to and reviews by the following:

- the Joint Strategic Committee, Executives, the Joint Audit and Governance Committee, and the Joint Overview and Scrutiny Committee.
- internal and external audit
- other explicit review/assurance mechanisms.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Joint Audit and Governance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The current detailed plan to address any weakness and improve the Council's governance was approved on the 30th May 2023 at the Joint Audit and Governance Committee in the report titled 'Annual Governance Statements 2022/23'. This can be found on the Council's intranet using the following link :

Link to be added into the statement following publication of the agenda

Overall opinion:

It is the opinion of the Council that, with the exception of the issues identified below, the framework is satisfactory. The Council will continue to assess and make improvements to the governance framework.

ADUR DISTRICT COUNCIL ANNUAL GOVERNANCE STATEMENT

SIGNIFICANT GOVERNANCE ISSUES

There is one significant governance issue either identified by red status on the Governance Action Plan, or via Corporate Leadership team, or from the Internal Audit Annual Report or via a report from the Monitoring Officer:

i) Housing management;

The Council has for several years identified the need to improve its management of the Housing Service and other key housing management policies and processes. More recently, the Council has identified significant issues with the safety and condition of the properties and has now referred itself to the regulator of social housing.

Actions are being taken to improve the service by way of:

- The development of an housing improvement plan to address the issues identified by the Regulator
- Improvements to the internal control environment to ensure that all works are properly commissioned and paid for;
- A major review of all the inspection regimes.
- A review of the staffing and management of the service.
- A review of the contractual arrangements for the housing repairs service including letting new contracts for services where appropriate.
- A review of all of the policies and procedures relating to service and leaseholder charges
- A full discovery and review of all Housing Service IT systems
- Establish an effective and strong resident engagement regime with all parts of the service

At the end of the transformation programme, internal audit have been commissioned to undertake a review to ensure that all outstanding audit recommendations have been addressed.

ADUR DISTRICT COUNCIL ANNUAL GOVERNANCE STATEMENT

OTHER ISSUES

The Governance Action Plan has been updated to deal with any issues brought forward from the 2022 review together with any issues which have been identified during the current review.

Included within the governance requirements as detailed in the 'Statement on the Role of the Chief Financial Officer in Public Services' are recommended best practice that:

- the Chief Financial Officer should be professionally qualified,
- report directly to the Chief Executive and
- be a member of the leadership team, with a status at least equivalent to other members.

The position within Adur and Worthing Councils does not wholly conform to the above statement. The Assistant Director of Finance (Chief Financial Officer) does not report directly to the Chief Executive, but reports to one of the Directors in line with the reporting requirements for all Assistant Directors. The Assistant Director of Finance does not have the same status as the Directors.

The Council complies with all other requirements of the statement.

PROPOSED ACTION

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: _____

Councillor Neil Parkin
Leader of the Council
Adur District Council



Dated:

Signed: _____

Catherine Howe
Chief Executive of
Adur & Worthing Councils



Dated:

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

Worthing Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government 2016 (the Framework). The Framework expects that local authorities will put in place proper arrangements for the governance of their affairs and which facilitate the effective exercise of functions and ensures that the responsibilities set out above are met.

At least once a year, Local Authorities are statutorily required to review their governance arrangements. The preparation and publication of an Annual Governance Statement in accordance with the Framework fulfils this requirement.

A copy of the code is on our website at www.adur.gov.uk or www.adur-worthing.gov.uk or can be obtained from the Council. This statement explains how Worthing Borough Council has complied with the code and also meets the requirements of regulation 6 of the Accounts and Audit Regulations 2015 in relation to the publication of a statement on internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Council for the financial year ended 31st March 2023 and up to the date of approval of the statement of accounts.

THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the Council's governance arrangements are summarised below:

Key elements of the Council's Governance Framework

Council, Executive and Leader

- Provides leadership and develops the Council's vision of its purpose and intended outcome for residents and service users.
- Develops the vision into objectives for the Council and its partnerships

Decision making

- All decisions are made in the open
- Decisions are recorded on the Council website
- The scheme of delegations which details the decision making arrangements is regularly updated
- The monitoring Officer ensures that all decisions made comply with relevant laws and regulations

Risk Management

- Risk registers identify both operational and strategic risks
- Key risks and opportunities are considered by the Corporate Leadership Team every quarter
- Risks and opportunities are reported to the Joint Audit and Governance Committee every quarter and inform the work of the internal audit team

Scrutiny and Review

- The Joint overview and Scrutiny Committee reviews Council policy and can challenge the decisions made.
- The Joint Audit and Governance Committee undertakes all of the core functions of an audit committee.
- The Joint Audit and Governance Committee is responsible for review and approving the Council's Governance arrangements and undertakes the role of a Standards Committee ensuring that members comply with the Code of Conduct

Corporate Leadership Team

- The Council's Corporate Leadership Team comprises of the Chief Executive, the three Directors, and the Assistant Directors who are responsible for the delivery of the Council's aims and objectives
- The head of paid service is the Chief Executive who is responsible for all Council Staff and leading an effective Corporate Leadership Team.
- CLT seeks advice from the Council's Chief Financial Officer (Assistant Director for Finance) who is responsible for safeguarding the Council's financial position
- CLT seeks advice from the Monitoring Officer who is the Assistant Director Legal and Democratic Services. They are responsible for enduring legality and promoting high standards of public conduct.

The operation of this authority's governance framework is described in the sections below. This sets out how the Council has complied with the seven principles set out in the new Framework during 2022/23.

THE OPERATION OF THE GOVERNANCE FRAMEWORK

The governance framework gives the Members and the Organisation, in a number of ways, the confidence and certainty that what needs to be done is being done. The chart below provides a high level overview of the Council's key responsibilities, how they are met and the means by which assurance is delivered.

WHAT WE NEED TO DO	HOW WE DO IT
<p>Principle A Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law</p>	<ul style="list-style-type: none"> • The Constitution • The Monitoring Officer (Assistant Director for Legal and Democratic Services) • Section 151 Officer (Assistant Director for Finance) • Codes of conduct • Whistleblowing Policy • Bribery Act 2010 policy guidance • Corporate anti-fraud work • Procurement Strategy
<p>Principle B Ensuring openness and comprehensive stakeholder engagement</p>	<ul style="list-style-type: none"> • Consultations • Terms of reference for partnerships • Freedom of information requests • Complaints procedure
<p>Principle C Defining outcomes in terms of sustainable economic, social, and environmental benefits</p>	<ul style="list-style-type: none"> • Organisational goals • Service planning • Performance Management • Community Strategy • Procurement Strategy
<p>Principle D Determining the interventions necessary to optimise the achievement of the intended outcomes</p>	<ul style="list-style-type: none"> • Service planning • Performance Management • Options appraisals • Whole life costing • Equalities Impact Assessments
<p>Principle E Developing the Council's capability, including the capability of its leadership and the individuals within it</p>	<ul style="list-style-type: none"> • Robust interview and selection process • Training and development • Workforce planning • Succession planning • Performance development reviews • Talent management • HR Policies & procedures
<p>Principle F Managing risks and performance through robust internal control and strong public financial management</p>	<ul style="list-style-type: none"> • Effective member scrutiny function • Financial management and MTFP • Corporate risk register • Annual audit plan • Information Security policies • Compliance with the requirements of the Public Service Network (PSN)
<p>Principle G Implementing good practices in transparency reporting and audit to deliver effective accountability</p>	<ul style="list-style-type: none"> • Reports are held on the website • Annual audited financial statements are publically available • Annual Governance Statement • Effective Internal Audit Service

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

HOW WE KNOW WHAT NEEDS TO BE DONE IS BEING DONE

Joint Audit and Governance Committee function and self-assessment; Corporate Governance Group; Scrutiny Reviews; Review of progress made in addressing issues; Performance monitoring; Review of compliance with corporate governance controls; Review of accounts; Employee opinion surveys; Internal audits and external audits; and Inspections and recommendations made by external agencies.

The following sections look at how the Council delivers governance principles in more detail:

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

The Constitution

The constitution sets out how the Council operates; the roles and responsibilities of members, officers and the scrutiny and review functions; how decisions are made; and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. Although there is no longer a statutory requirement, this Council continues with this arrangement internally and is in the process of updating the constitution to ensure it reflects current practice. As well as working together as a single organisation and with our neighbour Adur District Council, members and officers continue to improve their working relations with other organisations, both locally and sub-nationally, to achieve a common purpose of improved efficiency and effectiveness.

The Monitoring Officer

The Monitoring Officer is a statutory function and ensures that the Council, its officers, and its elected members, maintain the highest standards of conduct in all they do. The Monitoring Officer ensures that the Council is compliant with laws and regulations, as well as internal policies and procedures. She is also responsible for matters relating to the conduct of Councillors and Officers, and for monitoring and reviewing the operation of the Council's Constitution.

Section 151 Officer

Whilst all Council Members and Officers have a general financial responsibility, the s151 of the Local Government Act 1972 specifies that one Officer in particular must be responsible for the financial administration of the organisation and that this Officer must be CCAB qualified. This is typically the highest ranking qualified finance officer and in this Council this is Sarah Gobey, who is also the Assistant Director for Finance.

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

Codes of Conduct

Codes of Conduct exist for both staff and members.

All Councillors have to keep to a Code of Conduct to ensure that they maintain the high ethical standards the public expect from them. If a complainant reveals that a potential breach of this Code has taken place, Adur District Council or Worthing Borough Council may refer the allegations for investigation or decide to take other action.

On joining the Council, Officers are provided with a contract outlining the terms and conditions of their appointment. All staff must declare any financial interests, gifts or hospitality on a public register. Additionally, members are expected to declare any interests at the start of every meeting that they attend in accordance with Standing Orders. Members and officers are required to comply with approved policies.

Whistleblowing

The Council is committed to achieving the highest possible standards of openness and accountability in all of its practices. The Council's Whistleblowing policy (revised in 2018) <http://awintranet/media/media.125134.en.pdf> sets out the options and associated procedures for Council staff to raise concerns about potentially illegal, unethical or immoral practice and summarises expectations around handling the matter.

Anti-fraud, bribery and corruption

The Council is committed to protecting any funds and property to which it has been entrusted and expects the highest standards of conduct from Members and Officers regarding the administration of financial affairs.

The Councils have a Corporate Anti-Fraud Team which acts to minimise the risk of fraud, bribery, corruption and dishonesty and recommends procedures for dealing with actual or expected fraud.

Guidance and policies for staff on the Bribery Act 2010 and the Prevention of Money Laundering are found on the intranet.

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Transparency

The Council and its decisions are open and accessible to the community, service users, partners and its staff.

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Transparency

All reports requiring a decision are considered by appropriately qualified legal, and finance staff with expertise in the particular function area before they are progressed to the relevant Committee or group. This Council wants to ensure that equality considerations are embedded in the decision-making and applied to everything the Council does. To meet this responsibility, equality impact assessments are carried out on all major council services, functions, projects and policies in order to better understand whether they impact on people who are protected under the Equality Act 2010 in order to genuinely influence decision making.

All reports and details of decisions made can be found on the Council's website at <https://www.adur-worthing.gov.uk/meetings-and-decisions/>

Freedom of Information enquiries

The Freedom of Information Act 2000 (Fol) gives anyone the right to ask for any information held by a public authority, which includes this Council, subject only to the need to preserve confidentiality in those specific circumstances where it is proper and appropriate to do so.

Engagement and communication

It is recognised that people need information about what decisions are being taken locally, and how public money is being spent in order to hold the council to account for the services they provide. The views of customers are at the heart of the council's service delivery arrangements.

Adur and Worthing Councils' Corporate Plan called 'Our Plan' (<https://www.adur-worthing.gov.uk/our-plan/>) identifies participation as one of the foundational principles upon which the council seeks to function and deliver public services. Key policy areas include: i) Involving people more closely in the design and provision of services ii) offering genuinely participatory ways for citizens to be involved in decision-making iii) Providing inclusive services by listening to underrepresented voices, creating equal access and meeting our equality duties; and iv) Supporting councillors in their work of representing and championing the interests of residents, communities and businesses.

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

Consultations

To be effective the council participation approach seeks to inspire and support a genuine two-way dialogue with all sections of the community and other stakeholders. There are a number of ways people can get involved and connect with the council. Current consultations can be found on the Councils website at www.adur-worthing.gov.uk. Local people have the option to engage in a dialogue through: social media sites (including Facebook and twitter), petition schemes, stakeholder forums, tenant associations, council meetings (open to the public), and their local Councillor.

Complaints

There is a clear and transparent complaints procedure for dealing with complaints. The Council operates a three-stage complaints procedure and promises to acknowledge complaints within 5 working days and respond fully within 10 working days for first-stage complaints, and 15 working days for second-stage complaints. If complainants remain dissatisfied they have the right to refer the matter to the Local Government Ombudsman.

Partnership working

In addition to the partnership between Adur and Worthing (<http://www.adur-worthing.gov.uk/about-the-councils/partnership-working/>), this Council is involved in a number of different partnerships, at different levels – each with their own set of terms of reference for effective joint working.

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

Joint Corporate Priorities

The Councils have agreed a plan 'Our Plan' that sets out Adur & Worthing Councils' ambition for our places' and our communities' prosperity and wellbeing over three years (2022 - 2025).

The Councils have agreed programmes of work for this period under four themes or 'Missions' which set out their aspirations for the town.

- **Thriving People**
- **Thriving Places**
- **Thriving Environment**
- **Thriving Economy**

Further details of how these priorities will be achieved are included in a programme of work which can be found on the internet at [Our Plan](#).

**WORTHING BOROUGH COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

The priorities included under the themes are reviewed on an annual basis.

The Council receives regular reports on the progress in delivering the outcomes set out within Our Plan which reflects the priorities of both .

D. DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

Service planning and performance management

In order to secure these outcomes for residents and service users, the Council needs to respond to some tough challenges. Through partnership working and efficiency savings the Council has made significant savings over the past five years and needs to find a further £7.8m by 2027/28 in a climate of reducing funding from Central Government and rising demand for many of the Councils services. This means that it is important that, whilst we focus on achieving the organisational goal and aspirations, we continue to plan services in detail on an annual basis, focusing on challenges over the coming year but also considering the medium term horizon.

The Heads of Service are responsible for preparing service plans that include detail on: core business that must be delivered; plans for improvement, development and disinvestment; financial planning; arrangements for addressing key governance issues; key service risks and management/mitigation activity and arrangements for robust performance management within the service.

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

THE OPERATION OF THE GOVERNANCE FRAMEWORK

E. DEVELOPING THE COUNCIL'S CAPABILITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

Recruitment and induction

The Council operates a robust interview and selection process to ensure that Officers are only appointed if they have the right levels of skills and experience to effectively fulfil their role. If working with children and/or vulnerable adults they will be subject to an enhanced criminal records check prior to appointment. New Officers receive induction which provides information about how the organisation works, policies and health and safety. Newly elected Councillors are required to attend an induction which includes information on: roles and responsibilities; political management and decision-making; financial management and processes; health and safety; information governance; and safeguarding.

Training and development

All Officers are required to complete a number of mandatory e-learning courses including health and safety, equalities and diversity, financial rules, and information governance. Officers and Members have access to a range of IS, technical, soft skills and job specific training courses. Compulsory training is provided for Members who sit on the following committees: Audit and Governance, Licensing Committee, and the Planning Committee. Other member-led training is available to Councillors through Democratic Services and Learning and Development. The package of support available gives Members the opportunity to build on existing skills and knowledge in order to carry out their roles effectively.

Performance development and review

All Officers receive regular one to ones with their Manager in order to monitor workload and performance and Managers are required to carry out a performance development review on an annual basis, which seeks to identify future training and development needs. Services consider workforce plans as part of the annual business planning process. Our service plans paint a picture of what we want to achieve; workforce planning helps to establish the nature of the workforce needed to deliver that vision, and produce a plan to fill the gaps. This helps to ensure we have the right people, with the right skills, in the right jobs, at the right time.

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

F. MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

Effective scrutiny

The Council operates Joint Overview and Scrutiny Committee (JOSC) governed by its own terms of reference. It is important that JOSC acts effectively as one of their key tasks is to review and challenge the policy decisions that are taken by Executive or the Joint Strategic Committee. Topics that are chosen to be 'scrutinised' are looked at in depth by a cross party panel of Councillors. They assess how the Council is performing and see whether they are providing the best possible, cost effective service for people in the area. The JOSC's findings are reported to the Joint Strategic Committee or Executive and may result in changes to the way in which services are delivered.

Financial management

The Chief Financial Officer is responsible for leading the promotion and delivery of good financial management so that public money is safeguarded at all times, ensuring that budgets are agreed in advance and are robust, that value for money is provided by our services, and that the finance function is fit for purpose. She advises on financial matters to both the Executive and full Council and is actively involved in ensuring that the authority's strategic objectives are delivered sustainably in line with long term financial goals. The s151 Officer together with finance team ensure that new policies or service proposals are costed, financially appraised, fully financed and identifies the key assumptions and financial risks that face the council.

Financial Regulations have been recently updated by the s151 Officer so that the Council can meet all of its responsibilities under various laws and are annually reviewed. They set the framework on how we manage our financial dealings and are part of our Constitution. They also set the financial standards that will ensure consistency of approach and the controls needed to minimise risks. The s151 Officer has a statutory duty to report any unlawful financial activity or failure to set or keep to a balanced budget. She also has a number of statutory powers in order to allow this role to be carried out, such as the right to insist that the local authority makes sufficient financial provision for the cost of internal audit.

Risk management

All significant risks (defined as something that may result in failure in service delivery, significant financial loss, non-achievement of key objectives, damage to health, legal action or reputational damage) must be logged on a Corporate Risk Register, profiled (as high/medium/low), and mitigating measures/assurances must be put in place. These risks are regularly reported to CLT and the Joint Audit and Governance Committee.

**WORTHING BOROUGH COUNCIL
ANNUAL GOVERNANCE STATEMENT**

THE OPERATION OF THE GOVERNANCE FRAMEWORK

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

Joint Audit and Governance Committee

As its name suggests, the Joint Audit and Governance Committee has the responsibility for receiving many reports that deal with issues that are key to good governance. The Committee undertakes the core functions of an Audit Committee identified in CIPFA's practical guidance. The group has an agreed set of terms of reference, which sets out their roles and responsibilities of its members.

Internal audit

The Head of Internal audit is a qualified accountant who has full access to senior management and the Joint Audit and Governance Committee (which fulfils the role of an audit committee). The audit team is properly resourced. The Council is in compliance with the CIPFA statement on the Role of the Head of Internal Audit (2010).

The Head of Internal Audit provides an independent and objective annual opinion on the effectiveness of internal control, risk management and governance each year. This is carried out by the Internal Audit team in accordance with the Public Sector Internal Audit Standards.

For 2022/23 the Head of Internal Audit's Annual reports states that based on the Internal Audit work undertaken, it is the Head of Internal Audit's opinion that they consider the control framework operated within the Council to be Satisfactory in its overall adequacy and effectiveness for the year ended 31st March 2023, except for the control environment issues as documented in the report which can be found on the Council's website on the agenda for the Joint Audit and Governance Committee dated 30th May 2023.

THE OPERATION OF THE GOVERNANCE FRAMEWORK

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY REPORTING AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

Annual accounts

The Council publishes full audited accounts each year which are published on the website at

<https://www.adur-worthing.gov.uk/about-the-councils/finance/statement-of-accounts/> .

WORTHING BOROUGH COUNCIL ANNUAL GOVERNANCE STATEMENT

REVIEW OF EFFECTIVENESS

Worthing Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by relevant stakeholders, the external auditors and other review agencies and inspectorates.

The Council has procedures in place to ensure the maintenance and review of the effectiveness of the governance framework, which includes reports to and reviews by the following:

- the Joint Strategic Committee, Executives, the Joint Audit and Governance Committee, and the Joint Overview and Scrutiny Committee.
- internal and external audit
- other explicit review/assurance mechanisms.

We have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Joint Audit and Governance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The current detailed plan to address any weakness and improve the Council's governance was approved on the 30th May 2023 at the Joint Audit and Governance Committee in the report titled 'Annual Governance Statements 2022/23'. This can be found on the Council's intranet using the following link :

[Link to be added into the statement following publication of the agenda](#)

Overall opinion:

It is the opinion of the Council that the governance framework is satisfactory. The Council will continue to assess and make improvements to the governance framework.

SIGNIFICANT GOVERNANCE ISSUES

There are no significant governance issues either identified by red status on the Governance Action Plan or from the Internal Audit Annual Report or via a report from the Monitoring Officer.

**WORTHING BOROUGH COUNCIL
ANNUAL GOVERNANCE STATEMENT**

OTHER ISSUES

The Governance Action Plan has been updated to deal with any issues brought forward from the 2022 review together with any issues which have been identified during the current review.

Part of the governance requirements as detailed in the 'Statement on the Role of the Chief Financial Officer in Public Services' are that:

- the Chief Financial Officer should be professionally qualified,
- report directly to the Chief Executive; and
- be a member of the leadership team, with a status at least equivalent to other members.

The position within Adur and Worthing Councils does not wholly conform to the above statement. The Assistant Director of Finance (Chief Financial Officer) does not report directly to the Chief Executive, but reports to one of the Directors in line with the reporting requirements for all Assistant Directors. The Assistant Director of Finance does not have the same status as the Directors.

The Council complies with all other requirements of the statement.

PROPOSED ACTION

We propose over the coming year to keep our governance arrangements under review and to continuously improve them. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed: _____



Rebecca Cooper
Leader of the Council
Worthing Borough Council

Signed: _____



Catherine Howe
Chief Executive of
Adur & Worthing Councils

Dated: _____

Dated: _____

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ADUR & WORTHING
COUNCILS

Joint Audit and Governance Committee
30th May 2023
Adur Joint Strategic Sub-Committee
15 June 2023

Key Decision [No]

Ward(s) Affected: All Adur

Regulatory Compliance Notice for Adur Homes

Report by the Director for Housing and Communities

Executive Summary

1. Purpose

This report updates Members about the Regulatory Compliance Notice issued by the Regulator of Social Housing in relation to Adur Homes. This Notice follows the self referral to the Regulator reported to the Committee on 23rd of March 2023.

Adur Homes has been found to be non compliant with the 'Homes Standard' in relation to the provision of decent homes and in meeting building health and safety requirements.

Adur Council has accepted the findings of the notice issued by the Regulator on the 26th April 2023. This report sets out how the Council will comprehensively respond to the issues to bring the Council back into regulatory compliance and to deliver quality services to the tenants and leaseholders of Adur Homes.

2. Recommendations

2.1 That the Joint Audit and Governance Committee notes the:

- Regulatory Notice issued to Adur Council detailing the failure in regard to meeting the Home Standard
- acceptance by Adur Council of the findings of the Regulatory Notice
- work already underway to remedy relevant areas of non-compliance
- development of a Housing Improvement Plan to ensure that Adur Homes becomes fully compliant with regulatory standards, and that sets out a timetable for this work.

2.2 That the Adur Joint Strategic Sub-Committee notes the:

- Regulatory Notice issued to Adur Council detailing the failure in regard to meeting the Home Standard
- acceptance by Adur Council of the findings of the Regulatory Notice
- work already underway to remedy relevant areas of non-compliance
- development of a Housing Improvement Plan to ensure that Adur Homes becomes fully compliant with regulatory standards, and that sets out a timetable for this work.

3. Context

3.1 On 22 November 2022, following the death of Awaab Ishak in Rochdale, the Regulator of Social Housing wrote to all registered providers requesting that they identify properties not meeting standards relating to decent homes and repair. The Regulator said that any registered providers not meeting these standards should 'self-refer' immediately.

3.2 Following this communication, the new Director for Housing and Communities undertook a diagnostic review of compliance by Adur Homes with regard to regulatory standards. This review found a number of areas where Adur Homes is not compliant as detailed in the report to the [Joint Audit and Governance Committee on 23 March 2023](#).

3.3 As set out in a previous report to the JACG, Adur Council referred itself to the Regulator on [24 February 2023](#).

3.4 On 10th May 2023, Adur Council received formal notice from the Regulator confirming that the Council is in breach of two sections of the Home Standard. The Home Standard sets expectations for registered providers of social housing to provide tenants with quality accommodation, including the provision of decent homes, effective management of health and safety compliance and the provision of cost effective repairs and maintenance.

3.4 In draft correspondence to Adur Council, the regulator 'concluded that:

- a) Adur District Council (Adur DC) has breached parts 1.1 and 1.2 of the Home Standard; and
- b) As a consequence of this breach, there was the potential for serious detriment to the provider's tenants.' The formal notice also states that the regulator will work with Adur DC as it seeks to remedy this breach. The draft regulator's decision has been accepted in full by the Council.

3.5 In discussions subsequent to the self referral, the Regulator also indicated that Adur Homes performance against other standards is not optimal, and suggested that the response by the Council should be comprehensive and address all areas of underperformance. The Regulator will be seeking information from Adur Council that shows an understanding of how the non-compliance came about, what its root causes are, and how the Council intends to address the issues and transform the way it works to improve housing and services for tenants.

3.6 There are also imminent new requirements for registered providers outlined in the Social Housing (Regulation) Bill currently going through the Parliamentary and Royal Assent process. These include annual mandatory tenant satisfaction measurement, addressing damp and mould in properties, and the need for housing staff to have professional qualifications and accreditation.

4. Issues for consideration

4.1 In response to the issues identified in the audit of performance of Adur Homes, and ahead of the formal response to the self referral by the Regulator, the Director for Housing and Communities has already put in place initiatives to rectify non-compliance.

4.2 These actions include:

- Working with and securing advice from Runnymede Borough Council, which also self referred to the Regulator and redressed its compliance issues
- Reviewing the terms of reference for the Adur Homes Management Board and membership to refocus this on the provision of an advisory role for the development of Adur Homes
- Implementation of a new internal Housing Improvement Board to drive forward and oversee the implementation of the Housing Improvement Plan
- Review and development of a number of (interim) health and safety asset-related policies
- A new Head of Property Services created to lead the work around our Adur Homes assets
- A new Interim Head of Housing in place to lead our work on tenancy services
- Partnering with Runnymede Council on a contract to deliver the new mandatory tenant satisfaction requirements
- Developing new posts and a new support team to provide important infrastructure for Adur Homes, including a Tenant Engagement Lead, a Strategy and Policy Manager and a Performance and Data Officer (under development)

- Scoping the requirement for effective systems to better enable the work of Adur Homes with a view to upgrading or purchasing new systems to support asset and tenancy management functions
- Development of a comprehensive draft Housing Improvement Plan to bring Adur Homes back to regulatory compliance
- Drafting a new HRA Business Plan setting out investment priorities for Adur Homes, including a 30-year forecast
- Developing a new reporting and governance framework, including new KPIs and clarifying governance accountabilities
- Commencing work on a new Strategic Asset Management Plan for the housing portfolio
- Engaging external housing expertise to provide additional support and guidance
- Engagement work with tenants and Leaseholders started including a new tenant newsletter.

4.2 The Housing Improvement Plan seeks to address the full range of areas where Adur Homes has been internally assessed as requiring reform and improvement. As well as a focus on the assets, and health and safety compliance issues, the Plan includes reforms to tenancy management, tenant engagement, and complaints management. Work has already begun to address several of the items listed in the Housing Improvement Plan.

4.3 The Housing Improvement Plan is phased initially over a 24-month period and assigns ownership of specific reforms to the relevant senior housing leader. This is necessarily a high level Plan and specific reforms will require more detailed project implementation plans to be developed by the senior housing leader responsible for the initiative. It is important to note that initial work will significantly focus on safety and compliance, with a more comprehensive piece of work in the longer term to bring homes to the Decent Homes Standard.

4.4 The Housing Improvement Plan also has a risk assessment that sets out the high level risks associated with not resolving or mitigating the issue, and an Environment Scan highlighting issues on the horizon that could impact on implementation.

4.5 The Plan also tracks across to issues previously identified by the JAGC Committee and to outstanding FOIs, to ensure that these long-standing areas of underperformance are addressed.

4.6 To monitor progress towards regulatory compliance the Regulator has stipulated that there will be 'intensive engagement' until Adur Homes is compliant.

The Regulator will review the Housing Improvement Plan developed by Adur Council and monthly meetings based on detailed diagnostic analysis will be used to track progress against the Plan.

4.7 The Regulator has also advised that they will want to receive third party assurance of rectification through an external consultant audit.

5. Engagement and Communication

5.1 Adur Homes tenants and leaseholders have all been informed about the decision to refer to the Regulator, including the reasons why and an outline of next steps.

5.2 A Communication and Engagement Plan is being developed and there is additional support for this through some additional funded capacity in the Communication Team. The Communication Plan will also include key stakeholders in the broader Adur and Worthing communities who need to be kept informed.

5.3 Engagement has already begun with Tenants and Leaseholders including the development of a new monthly newsletter and engagement sessions. Two have been held to date in Fishersgate and Southwick and others are being planned for other places

5.4 Members of Adur Council are being briefed, and regular meetings are in place with the Adur Cabinet Member for Customer Services and Housing and the Cabinet Member for Health and Wellbeing.

6. Financial Implications

6.1 The resources to ensure compliance with the Regulator's Standards must be found within the Adur HRA which is a ring-fenced account. Overall, the HRA has a significant budget available to it (£14.8m) and every endeavour will be made regarding best use of this existing resource to deliver the improvement plan.

6.2 However, to improve financial capacity to deliver any additional requirements arising which cannot be accommodated with the existing approved revenue budget two projects are underway:

1. A capitalisation direction has been sought from the Secretary of State for DLUCH to enable the council to access the Major Repairs Allowance which stood at £9.4m as at 31/3/2022. This reserve can currently only be used to

fund capital expenditure and the repayment of any debt under legislation. Members are reminded that there is no guarantee that a direction will be given and that there will be revenue consequences in utilising this reserve as it was planned to be used to finance the capital programme.

2. A review of the depreciation calculation for Adur Homes is underway. The annual depreciation charge is transferred to the Major Repairs Reserve. This follows some benchmarking which identified that our depreciation charge per dwelling was significantly higher than other similarly sized Councils. This is under discussion with our auditors, and if successful will build capacity in the revenue budget to take forward further improvements. It should be noted that this effectively reduces the capital resources available to fund the programme which will need to be replaced.

Any capital resources used to support the revenue budget would need to be replaced by borrowing at an estimated revenue impact of £45,000 per £1m additional borrowing in a full year.

6.3 Development of a new Housing Revenue Account Business Plan is currently underway and this will enable the service to track the management of resources to deliver against the government's Decent Homes Standard and to ensure compliance in all other service areas.

Finance Officer: Sarah Gobey

Date: 18th May 2023

7. Legal Implications

7. Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.

7.2 s1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.

7.3 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

7.4 Section 8 of the Housing Act 1985 continues to place a duty on every local housing authority to consider housing conditions in their district and the needs

of the district with respect to the provision of further housing accommodation.

Legal Officer: Joanne Lee

Date: 18/05/2023

Background Papers

The Joint Audit and Governance Committee report 23 March 2023 [here](#).

The formal notification of the breach [here](#).

Officer Contact Details:-

Tina Favier, Director for Housing and Communities

Deborah Georgiou, Strategic Improvement Lead Adur Homes

07850900266/07721235089

Sustainability & Risk Assessment

Economic

1.1 Thriving Economy is one of the four Missions identified in Our Plan and will therefore become one of the key documents informing the direction and prioritisation of the council's work with regard to Adur Homes.

1.2 Providing a decent home that is secure, affordable, warm and modern, supports the wellbeing of our residents, enabling those who are able to work and to sustain employment and contribute to economic activity.

2. Social

2.1 Social Value

2.1.1 Residents and communities are central to Our Plan and 'Thriving People' is one of the four Missions identified in Our Plan. This mission aims to ensure people are healthy, resilient and resourceful, that they can access the right help when they need it and everyone has a safe, secure and sustainable home.

2.1.2 One of the three overarching Principles in Our Plan is Participative, which is based on the explicit intention to work more closely with citizens to involve them in deeper and more meaningful conversations about service design and delivery. Our work to meet decent homes and the other housing standards will be linked to our tenant participation activity therefore forms a central part of the council's commitments.

2.2 Equality Issues

2.2.1 The council is subject to the general equality duty set out in section 149 of the Equality Act 2010. This duty covers the following protected characteristics: age, gender, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation.

2.2.2 In delivering housing services the council must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity between different groups
- Foster good relations between different groups

2.2.3 The participative principle in Our Plan describes the council's commitment to providing truly inclusive services by listening to underrepresented voices, creating equal access and meeting our equality duties.

2.2.4 The council's legal duties (Equality Act 2010) will inform the development and delivery of the improvement plan, in relation to eliminating discrimination, advancing equality of opportunity and fostering good relations.

2.2.5 Decisions, actions and areas of investment relating to implementation of the improvement plan, may require Equality Impact Assessments.

2.3 Community Safety Issues (Section 17)

2.3.1 The council is committed to the promotion of communities as safe places. Our Plan seeks to progress delivery of the councils' community safety commitments by strengthening working partnerships with the Police, communities, businesses and multidisciplinary teams across the council.

2.3.2 As part of our ongoing work to meet the Neighbourhood and Community Housing Standard will be to keep the neighbourhood and communal areas associated with the Adur Homes clean and safe, co-operate with relevant partners to promote tenant and community wellbeing, and help prevent and tackle anti-social behaviour.

2.4 Human Rights Issues

2.4.1 The actions set out in the report will enable the council to identify solutions that will enable our residents, communities and neighbourhoods to flourish.

3. Environmental

3.1 Thriving Environment is one of the four Missions identified in Our Plan and key actions include achieving net zero carbon, resilience to climate change and increased biodiversity by restoring natural habitats and minimising waste.

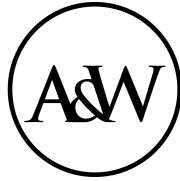
3.2 The improvement plan, as part of the wider work plan for Adur Homes, will as part of these commitments actively contribute to carbon reduction, waste minimisation and biodiversity improvement objectives.

4. Governance

4.1 In line with the constitution this report is being taken to the Joint Audit and Governance Committee and the Adur Joint Strategic Sub Committee to note and comment. Additional engagement has been undertaken with the Adur Cabinet members for Housing and Communities.

4.2 Further updates, including the improvement plan will be brought to the JAGC and other relevant committees on a quarterly basis.

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ADUR & WORTHING
COUNCILS

Joint Audit & Governance
Committee
30 May 2023

Ward(s) Affected: Cokeham, Peverel,
Churchill, Manor, Mash Barn & Widewater

Joint Audit & Governance Committee Appointments: Parish Councillors

Report by the Monitoring Officer

Executive Summary

1. Purpose

1.1 This report advises Members of the Joint Audit & Governance Committee of the nominations from Lancing Parish Council and Sompting Parish Council for Parish representatives to be appointed to the Joint Audit & Governance Committee as co-opted Members in accordance with the Constitution.

2. Recommendations

Members of the Joint Audit & Governance Committee are asked to:

2.1 note the nomination from Lancing Parish Council of the appointment of Cllr Mike Mendoza as a Co-Opted Member of the Joint Audit & Governance Committee for 23/24 and recommend the appointment to Adur District Council and Worthing Borough Council;

2.2 note the nomination from Sompting Parish Council of the appointment of Cllr Paul Mansfield as a Co-opted Member of the Joint Audit & Governance Committee for 23/24 and recommend the appointment to Adur District Council and Worthing Borough Council.

3. Background

3.1 The Joint Audit & Governance Committee is a Committee of the Council governed by the Joint Committee Agreement between Adur District Council and Worthing Borough Council. It is established by section 101(5) of the Local Government Act 1972.

3.2 Within the terms of reference of the Joint Audit & Governance Committee are

- Standards, ethics and probity;
- Audit and accounts activity; and
- The constitutional framework

3.3 The Joint Audit & Governance Committee consists of:

- 16 Elected Members (8 from Adur District Council and 8 from Worthing Borough Council);
- Up to 3 Independent Persons co-opted onto the Committee;
- One Member of Lancing Parish Council co-opted when considering Parish Council matters; and
- One Member of Sompting Parish Council co-opted when considering Parish Council matters.

3.4 The role of the Parish Councillors on the Joint Audit & Governance Committee is two fold. Firstly, their role is to advise the full Committee, when it is considering Parish matters. Secondly, their role is to advise the Committee (or its Sub-Committee) when hearing and determining an allegation that a Parish Councillor has breached their Parish Council Code of Conduct. In respect of the second aspect of their role, if a Lancing Parish Councillor is the Subject Member of a standards complaint being heard by a Sub Committee, a Sompting Parish Councillor will be invited to sit on the Sub Committee that hears and determines the allegation; and vice versa.

- 3.5 Both Parish Councillors appointed to the Joint Audit & Governance Committee will be non-voting co-opted Members of the Committee, acting in an advisory capacity to the Committee or its Sub Committee.
- 3.6 Parish Councillors are nominated by the Parish for the appointment, which is considered by the Joint Audit & Governance Committee. Should the Joint Audit & Governance Committee support their appointment, they will be invited to make appropriate recommendations to each full Council. The appointments must be made by Adur District Council and Worthing Borough Council.

4. Issues for Consideration

- 4.1 Lancing Parish Council have nominated Parish Councillor Mike Mendoza to be appointed the Lancing Parish Councillor co-opted Member of the Adur and Worthing Joint Audit & Governance Committee.
- 4.2 Sompting Parish Council have nominated Parish Councillor Paul Mansfield to be appointed the Sompting Parish Councillor co-opted Member of the Adur and Worthing Joint Audit & Governance Committee.

5. Engagement and Communication

- 5.1 Consultation has taken place with both Lancing Parish Council and Sompting Parish Council.

6. Financial Implications

- 6.1 There are no financial implications arising from this report.

7. Legal implications

- 7.1 Paragraph 5.12 of Part 3 of the Constitution sets out the terms of reference for the Joint Audit & Governance Committee and states that “The Joint Committee shall also co-opt one Member of Lancing Parish Council and one Member of Sompting Parish Council to advise the Committee on Parish matters when considering such matters”.
- 7.2 The Council’s Standards Procedure Rules in Part 4 of the Constitution set out the arrangements adopted by the Councils when dealing with

allegations regarding a breach of the Code of Conduct and states at paragraph 2.7 “Parish Representative means a Parish Councillor appointed by the Council to advise the Joint Audit & Governance Committee and its Sub-Committee in relation to cases involving Parish Councillors”.

- 7.3 The Joint Audit & Governance Committee is established in accordance with section 101 Local Government Act 1972 and is governed by the Joint Committee Agreement in Part 9 of the Constitution.
- 7.4 Standards matters for both Councils are governed by the Standards Procedure Rules adopted by both Councils which comply with sections 26-37 of the Localism Act 2011.

Background Papers

- Worthing Borough Council Constitution
- Adur District Council Constitution
- Localism Act 2011

Officer Contact Details:-

Joanne Lee
Monitoring Officer
01903 22
joanne.lee@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

- Matter considered and no issues identified

2. Social

2.1 Social Value

- Matter considered and no issues identified

2.2 Equality Issues

- Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

- Matter considered and no issues identified

2.4 Human Rights Issues

Matter considered and no issues identified

3. Environmental

- Matter considered and no issues identified

4. Governance

- These appointments are in accordance with the Constitutions, adopted to uphold high and robust standards of governance throughout the Councils.

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ADUR & WORTHING
COUNCILS

Joint Audit and Governance Committee
30 May 2023

Key Decision [Yes/No]

Ward(s) Affected:

Annual Review of Member Conduct Complaints - 2022/23

Report by the Monitoring Officer

Executive Summary

1. Purpose

- 1.1. This report advises Members of the Joint Audit and Governance Committee of the complaints received by the Monitoring Officer, that Elected Members have breached the Code of Conduct. Complaints received relate to Elected Members of Adur District Council, Worthing Borough Council, Sompting Parish Council and Lancing Parish Council.
- 1.2. The report advises of all complaints received during the municipal year 2022/23 from the date of the last annual report dated 31/05/2022, and the action taken by the Monitoring Officer, and/or the Council.

2. Recommendations

- 2.1. The Joint Audit and Governance Committee is asked to note the contents of this report and the actions taken by the Monitoring Officer and/or the Council.

3. Context

3.1. Section 27 of the Localism Act 2011 (the Act) provides that Councils (here: Worthing Borough, Adur District, Lancing and Sompting Parish Councils) must promote and maintain high standards of conduct by Members including Co-opted Members of the Councils. In discharging this duty the Councils must adopt a code dealing with the conduct that is expected of Members when they are acting in that capacity.

3.2. Under section 28(6) of the Act, Councils must have in place arrangements under which:

- (a) allegations can be investigated and,
- (b) decisions on allegations can be made.

Arrangements put in place under section 27(6)(b) must include provision to appoint at least one "Independent Person" whose views are to be sought and taken into account, by the Councils. Adur & Worthing Councils currently have two appointed Independent Persons.

3.3. The Joint Audit and Governance Committee is responsible for standards, ethics and probity matters, audit and accounts activity and the constitutional framework. Within its terms of reference, the Committee has the following responsibilities:

- To lead on the Council's duties to design, implement, monitor, approve and review the standards of ethics and probity of the Council, its Councillors and Co-opted Members.
- To promote a culture of openness, ready accountability and probity in order to ensure the highest standards of conduct of Councillors and Co-opted Members.
- To oversee and manage a programme of guidance, advice and training on ethics, standards and probity for Councillors and Co-opted Members and on the Members' Code of Conduct.
- To establish a standards sub-committee to receive reports following investigation on behalf of the Monitoring Officer into allegations of misconduct by Members and to determine appropriate action in respect of alleged breaches of the Members' Code of Conduct.

- To receive an annual report from the Monitoring Officer on the local resolution and assessment of allegations of breach of the Member Code of Conduct, by Members of the Councils and any Parish Council.
- 3.4. In 2021 Adur and Worthing Councils adopted the most up-to-date version of the Local Government Association model Code of Conduct for Members. This can be found at Part 5 of the Councils' Constitutions, together with the Member Complaints and Standards Sub-Committee Procedure Rules at Part 4. Both documents were again reviewed in October 2022 with no changes made. The Lancing and Sompting Parish Councils have their own Code of Conduct for their Members.
- 3.5. The Member Complaints and Standards Sub-Committee Procedure Rules provide for an initial assessment of all complaints to be undertaken by the Monitoring Officer. The purpose of assessment is to determine whether or not, on the basis of information supplied by the complainant, if the matter were proven, it would amount to a breach of the Member Code of Conduct; no investigation or hearing is conducted at this stage. The Monitoring Officer will reject the complaint if the Subject Member was not acting in their capacity as a Councillor at the time, or if the complaint is deemed to be trivial, malicious, vexatious, politically motivated or tit for tat. If accepted, the Monitoring Officer will then consider whether the complaint may be more appropriately dealt with by way of informal resolution, and if so, will attempt to resolve it. On assessment, options open to the Monitoring Officer include deciding to take no further action or resolving the complaint informally. The Monitoring Officer may consult the Independent Person at this stage.
- 3.6. Should the Monitoring Officer conclude that the complaint merits an investigation, the investigation may be conducted by the Monitoring Officer or delegated to another Officer or an external appointment. The investigation will result in an investigator's report and if, in the view of the Monitoring Officer, there is evidence, on the balance of probabilities, that the Subject Member has breached the Code of Conduct, then a meeting will be called of the Standards Sub-Committee of the Joint Audit and Governance Committee, to hear and determine the matter, and impose sanctions if appropriate. Possible sanctions in respect of an Adur or Worthing Member may include censure, publicity, recommendation to the Leader or Council that the Member be removed from a Committee, additional training or withdrawal of facilities. In respect of a Parish Councillor, recommendations can be made to the Parish Council as to an appropriate sanction.

3.7. All Members should attend training on the Code of Conduct and the Member Complaints and Standards Sub-Committee Procedure Rules at least once a year.

4. Code of Conduct Complaints received by the Monitoring Officer

4.1. This report is brought to the Joint Audit and Governance Committee to:

- Assist the Committee in fulfilling the Councils' duty to promote and maintain high standards of conduct;
- Provide the Committee with an overview of the overall number of complaints received by the Monitoring Officer;
- Enable the Committee to satisfy itself that the Monitoring Officer is broadly exercising her delegations correctly, for example by noting that a reasonable and proportionate amount of matters were referred for investigation; and
- Enable the Committee to ascertain any trends they may identify and have the opportunity to address them by updating guidelines, or organising training.

4.2. The following tables set out the complaints received for each Council:-

Adur District Council

When	Complaint by	Alleged breach of the Code of Conduct	Action taken	Formal Hearing	Conclusion
31/08/2021	Officers	Failure to disclose a pecuniary interest conflict of interest.	Investigation by Monitoring Officer through external consultant	No	Complaint already reported to JGC in May 2022 with outcome to follow. Matter since concluded - Informal resolution, no further action.
05/07/2022	Members of the public	Not specified by complainants	Further information	No	Matter closed following lack

			requested of the complainants		of response from complainants
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Worthing Borough Council

When	Complaint by	Alleged breach of the Code	Action taken	Formal Hearing	Conclusion
05/05/2022	Member of the public	Harassment and intimidation, discrimination and slanderous use of a public forum	Consideration by the Monitoring Officer	No	Complaint already reported to JGC in May 2022 with outcome to follow. Matter since concluded - Insufficient evidence to support allegations, matter closed.
23/05/2022	Member of the public	Lack of respect and failure to lead by example	Consideration by the Monitoring Officer	No	No breach found, no further action.
22/03/2023	Member	Improper political group motives and allegation of breach of Nolan Principles of selflessness, objectivity, accountability, openness, honesty and leadership.	Consideration by the Monitoring Officer, consultation with IPs	No	Some Officer and Member training required, but no breach of Code found

Lancing Parish Council

When	Complaint by	Alleged breach of the Code	Action taken	Formal Hearing	Conclusion
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17/08/2022	Member	Lack of respect, bullying, harassment	Consideration by the Monitoring Officer, consultation with IP	No	No breach found
02/02/2023	Members of the public and a Member	Lack of respect, bullying	Consideration by the Monitoring Officer, consultation with IP	No	No breach found
03/02/2023	Members of the public	Failure to treat fairly and with respect, misuse of position, bullying.	Consideration by the Monitoring Officer, consultation with IP	No	No breach found

Sompting Parish Council

When	Complaint by	Alleged breach of the Code	Action taken	Formal Hearing	Conclusion
14/04/2022	Member of the public	Lack of impartiality, confidentiality, access to information, use of position	Consideration by Monitoring Officer	No	Complaint already reported to JGC in May 2022 with outcome to follow. Matter since concluded - No breach of Code.

5. Summary and Trends

5.1. Adur District Council

In the last year there has been one new Code of Conduct complaint made against Adur District Councillors.

The bullet points below set out the trend in complaints received. The number of complaints this year has decreased when compared to the number received in 2021/22:

- 1 complaint in 2022/2023
- 7 complaints in 2021/2022
- 16 complaints in 2020/2021
- 7 complaints in 2019/2020
- 3 complaints in 2018/2019

5.2. **Worthing Borough Council**

In the last year Worthing has received two new complaints.

The bullet points below set out the trend in complaints received. The number of complaints this year has decreased when compared to the number received in 2021/22:

- 2 complaints in 2022/2023
- 12 complaints in 2021/2022
- 10 complaints in 2020/2021
- 3 complaints in 2019/2020
- 5 complaints in 2018/2019

5.3. **Lancing Parish Council**

In respect of Lancing Parish Council there were:

- 3 complaints in 2022/23
- 2 complaints in 2021/2022
- 3 complaints in 2020/2021
- 1 complaint in 2019/2020
- 1 complaint in 2018/2019

5.4. **Sompting Parish Council**

In respect of Sompting Parish Council there were:

- 0 complaints in 2022/23
- 1 complaint in 2021/2022
- 0 complaints in 2021/2022
- 1 complaint in 2019/2020

- 2 complaints in 2018/2019

5.5. **Summary of Complaints**

There have been 6 Code of Conduct Complaints as illustrated in the above tables. The types of complaint received indicate the continued importance of Member training and awareness of the Member Code of Conduct.

6. **Financial Implications**

- 6.1. Other than the extensive Officer time involved in dealing with the Code of Conduct Complaints, there are no financial implications arising from this report. These costs are deducted from the existing Legal Services Budget.

7. **Legal Implications**

- 7.1. The Localism Act 2011 provides the statutory framework for Member conduct, the mandatory obligation for Local Authorities to have a Code of Conduct and for Councils to have local arrangements for dealing with complaints about Member conduct.
- 7.2. The Terms of Reference of the Joint Audit and Governance Committee provide that the Committee is responsible for Standards of Ethics and Probity amongst Members. The Member Complaints and Standards Sub-Committee Procedure Rules provide procedural arrangements for the consideration of complaints relating to Member conduct.
- 7.3. The Localism Act 2011 provides that the District Council is responsible for dealing with allegations relating to Member conduct in respect of any parishes in its area.

Legal Officer: Joanne Lee

Date: 24/04/2022

Background Papers

None

Officer Contact Details:-

Joanne Lee

Assistant Director and Monitoring Officer, Legal & Democratic Services

01903 221134

Joanne.lee@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

Matter considered and no issues identified.

2. Social

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

Any hearing to be held before the Joint Governance Sub-Committee (for standards) would be based on the principles of natural justice and comply with the Human Rights legislation, particularly the right to a fair hearing.

3. Environmental

Matter considered and no issues identified.

4. Governance

Upholding high standards of conduct and probity amongst Members is paramount and breaches of the Code of Conduct have an adverse effect on public confidence in the democratic process and adversely affect the reputation of the Council.